

European Commission

# **Bulletin** **of the European Union**



12 • 1994

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# **Bulletin of the European Union**

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

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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# 1. Essen European Council

## Essen, 9 and 10 December

I.1. The meeting of Heads of State or Government was chaired by Mr Helmut Kohl, President of the European Council and Chancellor of the Federal Republic of Germany, and took place with the full participation of the Heads of State or Government of the acceding countries (Austria, Finland and Sweden) and, for part of the proceedings, the Heads of State or Government of the six associated countries of Central and Eastern Europe. The Commission was represented by its President, Mr Jacques Delors, and Mr Hans Van den Broek, Member of the Commission, while Mr Henning Christophersen, Vice-President of the Commission, also attended some of the proceedings. The meeting was preceded by an exchange of views with Mr Klaus Hänsch, President of the European Parliament, on the main items on the agenda.

## Conclusions of the Presidency

### Introduction

I.2. The European Union has entered a new phase marked by a number of significant changes: the European Parliament, endowed with additional powers under the Maastricht Treaty, was renewed following the fourth direct elections in June 1994; the new European Commission will shortly begin work; on 1 January 1995, the new Member States, Austria, Finland and Sweden, will accede to the Union and the European Council welcomes them most cordially. With their experience and traditions, the new Member States constitute a valuable enrichment for the Union. The European Council trusts that all the remaining preconditions for accession to be put into effect on the scheduled date will be completed in good time.

Following the worldwide recession, our economies are back on track. There must be further determined

efforts to improve competitiveness and the employment situation and to reduce government deficits and create a more efficient public sector. If the economic upturn is to be given further impetus, it is essential that in the European Union too the results of the Uruguay Round be ratified and the necessary internal measures for its implementation, including trade-policy instruments, be adopted before the end of the year, so that they can enter into force as planned on 1 January 1995. In this context, the European Council confirms its support for the European candidacy for the post of Director-General of the World Trade Organization and notes that the developing countries are also supporting this candidature.

The European Council in Essen is the last summit which Jacques Delors will attend as President of the European Commission. His name is associated with what must be the 10 most successful years of European unification. He was the prime mover in the Single European Act. He helped the Community realize the visionary goal of the completion of the internal market (Europe 92) and in so doing made a decisive contribution to overcoming the period of stagnation at the beginning of the 1980s and to imparting a new dynamism to the integration process. The second great achievement for which we essentially have Jacques Delors to thank is economic and monetary union, the fundamental groundwork of which was his. For this, as well as for the high standards he has set, the Heads of State or Government meeting in the European Council would like to express their thanks and recognition. His achievements for Europe will not be forgotten. President Delors has rendered outstanding service to European unification.

Looking back over the historic work completed since the Community's beginnings, the Union must now demonstrate its ability also to shape the future in the political and economic interests of its citizens.

In this respect there is no shortage of new challenges before it: in the political sphere the 1996 Union Treaty review conference and future enlargement, in the economic sphere the realization of economic and monetary union and a contribution to overcoming employment problems, in the technological sphere the mastery of information society developments and lastly the shaping of internal and external security. The new instruments in the Maastricht Treaty, the Union's greater weight thanks to the accession of new countries, budgetary means adequate for these goals as a result of the recent decision on own resources are all significant preconditions for these objectives.

The participants in the European Council held an exchange of views with the President of the European Parliament, Mr Klaus Hänsch, on the main topics discussed at the meeting.

The participants in the European Council met the Heads of State or Government and the Foreign Ministers of the Central and East European countries which are already associated with the European Union through Europe Agreements and held an exchange of views with them on the strategy for leading these States towards the European Union.

Against this background the Heads of State or Government discussed the essential issues of the day and established a set of guidelines for short and medium-term measures in the following four priority areas:

- continuing and strengthening the strategy of the White Paper in order to consolidate growth, improve the competitiveness of the European economy and the quality of the environment in the European Union, and — given the still intolerably high level of unemployment — create more jobs for our citizens;
- ensuring the lasting peace and stability of the European continent and neighbouring regions by preparing for the future accession of the associated countries of Central and Eastern Europe and developing in parallel the special relationship of the Union to its other neighbours, particularly the Mediterranean countries;
- strengthening the Union's action in the area of internal security by providing the necessary legal and operational means for cooperation in justice and home affairs, in particular by concluding the Europol Convention during the French Presidency;
- strengthening the Union's democratic legitimacy, consistent compliance with the subsidiarity principle, and developing the different aspects of European citizenship in order to make the functioning of the institutions more transparent and the advantages of belonging to the Union more obvious to the general public, thus enhancing the Union's acceptability to its citizens.

## Economic issues

### References:

- Commission White Paper on growth, competitiveness and employment: COM(93) 700; Bull. 12-1993, point 1.2.44; Supplement 6/93 — Bull. Conclusions of the Brussels European Council: Bull. 12-1993, points I.3 to I.7
- Conclusions of the Corfu European Council: Bull. 6-1994, points I.4 to I.9

### *Improving the employment situation*

I.3. The fight against unemployment and equality of opportunity for men and women will continue in the future to remain the paramount tasks of the European

Union and its Member States. The current economic recovery will help in dealing with these tasks. That recovery is not, however, in itself sufficient to solve the problems of employment and unemployment in Europe. We shall therefore have to make further efforts to solve the structural problems. In this process, an important role will be played by dialogue between social partners and politicians in which everyone concerned will have to assume their responsibilities fully.

The measures to be taken should include the following five key areas:

- Improving employment opportunities for the labour force by promoting investment in vocational training. To that end, a key role falls to the acquisition of vocational qualifications, particularly by young people. As many people as possible must receive initial and further training which enables them through life-long learning to adapt to changes brought about by technological progress, in order to reduce the risk of losing their employment.
- Increasing the employment-intensiveness of growth, in particular by:
  - more flexible organization of work in a way which fulfils both the wishes of employees and the requirements of competition;
  - a wage policy which encourages job-creating investments and in the present situation requires moderate wage agreements below increases in productivity,
  - and, finally, the promotion of initiatives, particularly at regional and local level, that create jobs which take account of new requirements, e.g. in the environmental and social services spheres.
- Reducing non-wage labour costs extensively enough to ensure that there is a noticeable effect on decisions concerning the taking on of employees and in particular of unqualified employees. The problem of non-wage labour costs can only be resolved through a joint effort by the economic sector, trade unions and the political sphere.
- Improving the effectiveness of labour-market policy:

The effectiveness of employment policy must be increased by avoiding practices which are detrimental to readiness to work, and by moving from a passive to an active labour-market policy. The individual incentive to continue seeking employment on the general labour-market must remain. Particular account must be taken of this when working out income-support measures.

The need for and efficiency of the instruments of labour-market policy must be assessed at regular intervals.

- Improving measures to help groups which are particularly hard hit by unemployment:

Particular efforts are necessary to help young people, especially school-leavers who have virtually no qualifications, by offering them either employment or training.

The fight against long-term unemployment must be a major aspect of labour-market policy. Varying labour-market policy measures are necessary according to the very varied groups and requirements of the long-term unemployed.

Special attention should be paid to the difficult situation of unemployed women and older employees.

The European Council urges the Member States to transpose these recommendations in their individual policies into a multiannual programme having regard to the specific features of their economic and social situation. It requests the Labour and Social Affairs and Economic and Financial Affairs Councils and the Commission to keep close track of employment trends, monitor the relevant policies of the Member States and report annually to the European Council on further progress on the employment market, starting in December 1995.

The first reports will be used to examine, on the one hand, the effects of tax and support systems on the readiness both to create and to take up jobs and, on the other, the inter-relationship between economic growth and the environment and the consequences this has for economic policy. The European Council notes with interest the information provided by President Delors on changes in the present model of economic growth and economic objectives in relation to the environment and time management.

The European Council also noted the experience of Denmark, Ireland and Portugal in developing a framework at national level and structures and procedures at local level, in order to support an integrated concept for development at local level.

### *Economic and monetary union — Economic policy guidelines*

**Reference:** Council recommendation 94/480/EC on the broad guidelines of the economic policies of the Member States and of the Community: OJ L 200, 3.8.1994; Bull. 7/8-1994, points 1.2.1 and 1.2.2

I.4. Just one year ago, the European Union entered into the second stage of economic and monetary union. The new instruments of the Treaty for strengthening the convergence of our economies are being consistently used in order to advance energetically the European unification process in the economic and monetary fields also. The new procedures have created greater receptivity for a lasting stability policy and strict budget discipline. Already in its second stage the Treaty is producing its stabilizing effect. The

task of this stage — stability-based preparation for economic and monetary union — is being accomplished.

Since the European Council in Corfu, clear success has been achieved in the efforts to achieve reliable convergence. Considerable progress has been made in achieving price and exchange-rate stability. In most Member States, government budget deficits are also gradually declining. Economic growth in the Community has thus gained dynamism. This development must be used for the further improvement of convergence as the indispensable precondition for transition to the final stage of economic and monetary union. A strict interpretation of the convergence criteria on the basis of the Maastricht Treaty is essential if reliable foundations for trouble-free economic and monetary union are to be laid.

The first priority is to achieve the consolidation goals announced in national convergence programmes. Above all, the structural deficits must decline in order to prevent a further increase in the rate of debt. Monetary policy must forestall any new inflationary tendencies in good time. In countries with continuing high inflation rates, greater stabilization efforts are necessary.

The European Council approves the report submitted by the Ecofin Council on implementation of the broad guidelines of economic policy which have contributed to a more favourable development of the economy.

### *CO<sub>2</sub>/energy tax*

**Reference:** Council conclusions on the Community strategy to reduce emissions of CO<sub>2</sub> and improve energy efficiency and on the CO<sub>2</sub>/energy tax: point 1.2.213 of this Bulletin

I.5. The European Council has taken note of the Commission's intention of submitting guidelines to enable every Member State to apply a CO<sub>2</sub>/energy tax on the basis of common parameters if it so desires. The Ecofin Council is being instructed to consider appropriate parameters.

### *Trans-European networks in the transport, energy and environment spheres*

**Reference:** Report to the European Council by the Group of Personal Representatives of the Heads of State or Government on trans-European networks: Bull. 11-1994, point 1.2.81

I.6. The European Council welcomes submission of the report from the Group of Personal Representatives. It confirms that the 11 projects decided in Corfu and the three new projects concerning the Nordic Member States and Ireland have already been started

or can be started shortly. The list of priority transport and energy projects is set out in Annex I. For the rest, the European Council endorses the most important recommendations of the report of the Christophersen Group (see Annex II).

It welcomes the progress which has been made in selecting major transborder projects, particularly with the countries of Central and Eastern Europe and the Mediterranean basin. The European Council stresses the importance of traffic management systems, particularly in the case of air traffic.

The European Council welcomes the creation of a special window at the European Investment Bank for the financing of trans-European networks, as indicated in Annex III to these conclusions. The Member States, the Commission and the European Investment Bank will continue to monitor progress made in financing priority projects. It shares the Group's view that the financing requirements for each project must be examined individually.

The European Council is pleased that a start is to be made on priority transport infrastructure projects, particularly rail projects, as from 1995.

The European Council calls upon the Ecofin Council to adopt the necessary decisions, acting on proposals from the Commission, to top up the funds currently available for the trans-European networks.

The European Council emphasizes the Group's finding that obstacles are mainly of a legal and administrative nature, and urges the Commission and the Member States to take appropriate measures to overcome these obstacles.

The European Council calls upon the European Parliament and the Council to take the necessary decisions on the guidelines for transport and energy in the near future, in order to create a lasting framework for the Union's activity in this area.

### *Information society*

#### **References:**

Commission communication entitled 'Europe's way to the information society: an action plan': COM(94) 347; Bull. 7/8-1994, point 1.2.99

Report to the European Council on the information society in Europe: a first assessment since Corfu: Bull. 11-1994, point 1.2.111

I.7. The European Council emphasizes that the Commission Action Plan 'Europe's way to the information society' and the conclusions of the ministers for industry and telecommunications have set the agenda for the development of an information society. The European Council sees the basic decision on liberalizing the telecommunications infrastructure by 1 January 1998 as a decisive step in establishing infor-

mation infrastructures for the future. In this connection it stresses the importance of new services and information content as well as the audiovisual sector in its cultural dimension. In this connection the European Council calls on the Commission to prepare proposals for revision of the Directive on television without frontiers and for a new MEDIA programme before the next European Council.

The European Council stresses the role of the private sector in building up and financing information infrastructures. It requests Member States to establish a suitable environment for such initiatives. International cooperation must be further strengthened, above all in relation to Central and Eastern Europe and the Mediterranean. The European Council calls upon the Commission to make appropriate proposals to that end.

The European Council asks the ministers for industry and telecommunications to ensure coordination of further measures. It requests the Council to create rapidly the legal framework conditions — in areas such as market access, data protection and the protection of intellectual property — that are still necessary.

The European Council welcomes the G7 Ministerial Conference on the global information society to be held in February 1995 in Brussels.

### *Internal market and competitiveness*

#### **References:**

Summary report by the Commission on the internal market in 1994: COM(94) 553; Bull. 11-1994, point 1.2.13

Council resolution on giving full scope to the dynamism and innovatory potential of small and medium-sized enterprises, including the craft sector and micro-enterprises, in a competitive economy: OJ C 294, 22.10.1994; Bull. 10-1994, point 1.2.56

Group of independent experts on simplification of legislation and administration: Bull. 9-1994, point 1.7.2

I.8. The European Council, in agreement with the Commission report, stresses the importance of the internal market. It is now necessary to achieve uniform and effective application of the internal market rules.

The European Council intends also in the future to pay particular attention to the competitiveness of the European economy, as stated in the Commission's paper. In this connection, it welcomes the Commission's intention of setting up a high-level group which will deal with these matters and submit appropriate reports.

The European Council also notes that the high-level Legislative Administrative Simplification Group ('Deregulation Group') has begun its work. It stresses

the need to monitor Community and national law for over-regulation. It requests the Group to submit a report by June 1995.

The European Council welcomes the Council Resolution of 10 October 1994, which is designed in particular to remove legal and bureaucratic obstacles in the way of small and medium-sized enterprises.

The European Council requests the Council and the Commission to continue work on legal provisions concerning biotechnology. The outcome must take full account of the need for health and environmental protection and the need for European industry to be competitive.

### *Fisheries — Integration of Spain and Portugal into the common policy*

**Reference:** Proposal for a Council Regulation establishing the rules for access to certain Community fishing areas and resources: point 1.2.170 of this Bulletin

I.9. The European Council calls upon the Council to adopt non-bureaucratic Community measures for all Community fishing vessels before the end of the year, while taking full account of the Declaration on Fisheries adopted during the accession negotiations and the *acquis communautaire* in the fisheries sector, and to lay down conditions for access to the zones and resources which are subject to specific provisions by virtue of the Act of Accession of Spain and Portugal, bearing in mind that fishing effort must not be increased.

### *Northern Ireland*

**Reference:** Commission communication concerning a special support programme for peace and reconciliation in Northern Ireland: point 1.2.150 of this Bulletin

I.10. The European Council welcomed the reports of the Prime Ministers of the United Kingdom and of Ireland on the progress made in the peace process.

The European Council warmly welcomes the recent historic developments in Northern Ireland and reaffirms the necessity of ensuring the irreversible character of the peace process. The European Council confirms the commitment of the European Union to underpin this unique opportunity for reconciliation and economic recovery.

The European Council has agreed on the principle of a multiannual programme and on the allocation of additional funding of ECU 300 million which will provide support in the areas of urban and rural regeneration, employment, cross-border development, social inclusion and investment promotion.

The programme will apply to Northern Ireland and the border counties in Ireland, be additional, pursue the central objective of reconciliation and benefit both communities in an equitable and balanced way, and especially those areas and sections of the population suffering most acute deprivation.

The European Council took note of the commitment of the Governments of the United Kingdom and of Ireland to refocus existing Community programmes within the framework of present plans in order to meet the new demands and opportunities presented by the peace process.

## Subsidiarity

### References:

Conclusions of the Edinburgh European Council: Bull. 12-1992, points I.4 and I.15

Commission report to the European Council on the application of the subsidiarity principle (1994): COM(94) 533; Bull. 11-1994, point 1.1.1

I.11. The European Council took note of the Commission's first annual report on application of the principle of subsidiarity. The European Council welcomes the Commission's intention of implementing rapidly its 1993 programme for the review of existing Community law. It invites the Commission to submit the proposals still required for this purpose as soon as possible and no later than June 1995. It asks the Council to discuss the Commission proposals speedily and in a constructive spirit.

The European Council confirms the great importance of the subsidiarity principle as a guiding principle of the Union as established in the conclusions of the Edinburgh European Council. It calls upon all Community bodies to apply that principle consistently in accordance with those conclusions. In this context the European Council stresses that administrative implementation of Community law must in principle remain the preserve of the Member States, without prejudice to the Commission's powers of supervision and control.

## The European Union's external relations

### References:

Transatlantic declarations: Bull. 11-1990, points 1.5.3 and 1.5.4

European Union-Canada and European Union-United States meetings: Bull. 7/8-1994, points 1.3.53 and 1.3.54

Conclusions of the Corfu European Council: Bull. 6-1994, point I.18

Signature of the Partnership and Cooperation Agreement with Ukraine: Bull. 6-1994, point I.3.34

Common position 94/779/CFSP defined by Council on the basis of Article J.2 of the Treaty on European Union on the objectives and priorities of the European Union towards Ukraine: OJ L 313, 6.12.1994; Bull. 11-1994, point I.3.1

Council Decision providing macro-financial assistance to Ukraine: point I.3.46 of this Bulletin

I.12. The European Union is making an essential contribution to overcoming the legacy of past divisions, and promoting peace, security and stability in and around Europe. Following enlargement to 15 Member States on 1 January 1995, the European Union will embark on its programme to prepare for the accession of all European countries with which it has concluded Europe Agreements. The European Union, recognizing the need for balance in its relations with all its neighbours, is also developing a programme to establish a Euro-Mediterranean partnership to promote peace, stability, prosperity and cooperation in the region. It will continue to cooperate with the countries of the European Economic Area and Switzerland, seeking to develop closer ties of political and economic cooperation with them.

The European Council emphasizes the significance of the transatlantic relations of the European Union with the US and Canada on the basis of the Transatlantic Declarations of November 1990. It welcomes the agreement expressed at the EU-Canada Summit on 6 July 1994 in Bonn and the EU-US Summit on 12 July 1994 in Berlin to develop relations further. It takes note with approval of the EU-US Summit's establishment of *ad hoc* study groups. It trusts that suggestions for closer cooperation worked out by the study groups will be submitted to the forthcoming summit meeting.

The development of the European Union's relations with Russia is an essential element in the maintenance of peace, security and stability in Europe. The European Council looks for the early ratification of the Partnership and Cooperation Agreement and is determined to exploit to the full its possibilities. It looks forward to a sustained constructive dialogue and partnership with Russia on political and economic issues.

The European Council welcomes the signing on 18 July of the Partnership and Cooperation Agreement with Ukraine, as well as the adoption of a common position setting out European Union objectives and priorities regarding Ukraine. The European Council welcomes the economic reforms which have been introduced in Ukraine, the adjustment programme agreed with the IMF and the political decision of principle by the Economic and Financial Affairs Council on 5 December 1994 to grant a Community balance of

payments aid, which should now be implemented with all speed. It urges Ukraine to continue energetically with the reforms initiated, and looks forward to constructive cooperation in the implementation of the action plan agreed in Corfu for the speedy closure of Chernobyl. The European Union will continue to support the democratic and economic reforms in Ukraine. It welcomes Ukraine's ratification of the Non-Proliferation Treaty as a non-nuclear State.

### *Relations with Central and East European countries*

#### **References:**

Conclusions of the Copenhagen European Council: Bull. 6-1993, point I.26

Conclusions of the Corfu European Council: Bull. 6-1994, point I.13

Commission communications on preparing the countries of Central and Eastern Europe for accession: COM(94) 320; COM(94) 361; Bull. 7/8-1994, points I.3.26 and I.3.27

I.13. The European Council confirms the conclusions of the European Councils in Copenhagen and Corfu that the associated States of Central and Eastern Europe can become members of the European Union if they so desire and as soon as they are able to fulfil the necessary conditions.

The European Council has decided to boost and improve the process of further preparing the associated States of Central and Eastern Europe for accession. It is doing so in the knowledge that the institutional conditions for ensuring the proper functioning of the Union must be created at the 1996 Intergovernmental Conference, which for that reason must take place before accession negotiations begin. The European Council has decided on a comprehensive strategy submitted by the Council and the Commission at the request of the European Council in Corfu for preparing these countries for accession to the European Union (see Annex IV).

That strategy is tailored to the needs of the countries with which Europe Agreements were concluded and will be applied to other countries with which such Agreements are concluded in the future.

The European Council requests the Commission and the Council to do everything necessary to ensure that Europe Agreements can be concluded with the Baltic States and Slovenia under the French Presidency, so that these States can be included in the accession preparation strategy.

The strategy adopted by the European Council is being politically implemented by the creation, between the associated States and the Institutions of the European Union, of 'structured relations' which encourage mutual trust and will provide a framework for addressing topics of common interest.

The key element in the strategy to narrow the gap is preparation of the associated States for integration into the internal market of the Union.

The European Council requests the Commission to submit a White Paper on this subject in time for its next meeting and to report annually to the General Affairs Council on the progress of implementation of the accession preparation strategy that has been adopted, in particular on the gradual adoption of the internal market rules.

In addition, the European Council requests the Commission to submit as quickly as possible the detailed analysis desired by the Council of the effects of enlargement in the context of the Union's current policies and their future development.

The European Council further calls on the Commission to submit a study of means of developing relations between the EU and the associated countries of Central and Eastern Europe in the agricultural sector during 1995, with a view to future accession.

Preparation for the internal market is to be backed up by a variety of measures designed to promote integration through the development of infrastructure and of cooperation in fields having above all a trans-European dimension (including energy, environment, transport, science and technology, etc.), in the fields of common foreign and security policy and of justice and home affairs. The PHARE programme, appropriately funded within a multiannual financial framework in accordance with the preparatory strategy agreed upon, will provide financial support for the purpose.

Being aware of the role of regional cooperation within the Union, the Heads of State or Government emphasize the importance of similar cooperation between the associated countries for the promotion of economic development and good neighbourly relations. The Council has therefore approved a programme to promote such cooperation. That programme will also contribute to the objectives of the Stability Pact.

It is the European Council's belief that this strategy by the Union and the associated countries will help to prepare for accession and to make the associated countries better able to assume their responsibilities as future Member States.

The European Council regards the narrowing of the gap between the countries of Central and Eastern Europe and the EU and WEU as a contribution to security and stability in Europe. The European Council welcomes the intention of the WEU to initiate deliberations on the new security situation in Europe, including the suggestion that a White Paper on security in Europe should be prepared.

### *Mediterranean policy*

#### **References:**

Conclusions of the Corfu European Council: Bull. 6-1994, point I.10

Commission communication on strengthening the Mediterranean policy of the European Union: establishing a Euro-Mediterranean partnership: COM(94) 427; Bull. 10-1994, point 1.3.34

New draft agreement with Morocco: Bull. 12-1993, point 1.3.33

New draft agreement with Tunisia: Bull. 12-1993, point 1.3.38

Draft association agreement with Israel: Bull. 12-1993, point 1.3.31

Peace treaty between Israel and Jordan: Bull. 10-1994, point 1.3.42

Draft association agreement with Egypt: point 1.3.67 of this Bulletin

Council Decision providing macro-financial assistance to Algeria: point 1.3.64 of this Bulletin  
EC-Turkey Association Council: point 1.3.62 of this Bulletin

Council conclusions on the Commission opinion on Cyprus's application for accession: Bull. 10-1993, point 1.3.7

Council conclusions on the Commission opinion on Malta's application for accession: Bull. 10-1993, point 1.3.8

I.14. The Mediterranean represents a priority area of strategic importance for the European Union.

The European Council therefore welcomes the report submitted by the Council (see Annex V), in response to its request at Corfu, drawn up on the basis of a communication from the Commission; it reiterates the European Union's willingness to support the Mediterranean countries in their efforts progressively to transform their region into a zone of peace, stability, prosperity and cooperation, and to this end its willingness to establish a Euro-Mediterranean partnership, develop appropriate agreements, progressively strengthen trade relations between the parties on the basis, *inter alia*, of the results of the Uruguay Round, and in the light of the Community's changing priorities maintain an appropriate balance in the geographical allocation of Community expenditure and commitments.

The European Council recalls its decision in Corfu to conclude the negotiations with Morocco, Tunisia and Israel by the end of the year.

□ With regard to the additional financial aid in support of future Mediterranean policy, it asks the Council and the Commission to put into effect the principles set out in paragraph 6 of the Council report (see Annex V);

□ it confirms the great importance it attaches:

— to opening similar negotiations in the near future with Egypt and other eligible Mediterranean countries which so wish;

— to continuing economic support to Algeria, as envisaged by the European Council at Corfu, while calling for a dialogue among all those who reject violence;

- to concluding the negotiations with Turkey on the completion and unrestricted implementation of the customs union and to reinforcing relations with this partner;
- it confirms that the next phase of enlargement of the Union will involve Cyprus and Malta and invites the Council to examine in early 1995 new reports to be presented by the Commission.

Furthermore, the European Council welcomes the intention of the future Spanish Presidency to convene in the second half of 1995 a Euro-Mediterranean Ministerial Conference with the participation of all Mediterranean countries concerned and the intention of the French Presidency to give high priority to its intensive preparation. This Conference should allow an in-depth discussion of future relations between the Union and the Mediterranean countries, addressing all relevant political, economic, social and cultural issues.

The Conference should reach an agreement on a series of economic and political guidelines for Euro-Mediterranean cooperation into the next century and will establish a permanent and regular dialogue on all subjects of common interest.

The European Council expresses concern at the emergence of extremist and fundamentalist forces in a number of North African States. European Union policy must take account of these developments.

The European Council considers that Israel, on account of its high level of economic development, should enjoy special status in its relations with the European Union on the basis of reciprocity and common interests. In the process, regional economic development in the Middle East including in the Palestinian areas, will also be boosted. The European Council requests the Council and the Commission to report to it at its next meeting on action taken.

The European Council agreed that, as the largest international donor, the European Union should continue to make a significant economic and political contribution in support of the Middle East peace process, in particular in the reconstruction of the Palestinian areas.

The European Council welcomes the conclusion of the Israel-Jordan Peace Agreement, which consolidates and strengthens the positive development in relations between the two countries.

### *Situation in the former Yugoslavia*

I.15. The European Council has adopted a separate statement on this subject (→ point 1.3.11).

### *Human rights*

I.16. The European Council made a statement to the press expressing its concern that freely elected Members of Parliament had been sentenced to imprison-

ment in Turkey and urging respect for human rights(→ point 1.3.10).

### *Conference on Security and Cooperation in Europe (CSCE)*

#### **References:**

Fourth CSCE summit: point 1.3.97 of this Bulletin

Council Decision 94/367/CFSP on the continuation of the joint action on the inaugural conference on the stability pact: OJ L 165, 1.7.1994; Bull. 6-1994, point 1.3.4

I.17. The European Council regrets that no agreement was reached on the situation in the former Yugoslavia at the meeting of CSCE Heads of State or Government in Budapest on 5 and 6 December 1994. It expressly welcomes the call for humanitarian aid, made on the initiative of the President of the European Council, especially for the region of Bihac.

The European Council otherwise welcomes the results of the CSCE summit. In particular, the intention of providing, subject to appropriate conditions, a multinational peace force for Nagorno-Karabakh under the planned UN Security Council Resolution and the decision to discuss all aspects of a future European security model confirm the important role of the future Organization for Security and Cooperation in Europe (OSCE) as a part of a Europe-wide security structure.

The European Council furthermore confirms the great significance which it attaches to the success of the joint action for concluding the Stability Pact for Europe. It welcomes the results achieved hitherto in implementing this initiative.

### *Asia*

**Reference:** Commission communication entitled 'Towards a new Asia strategy': COM(94) 314; Bull. 7/8-1994, point 1.3.55

I.18. The European Council emphasizes the economic and political significance of the countries of the Asia-Pacific region and reaffirms that the European Union and its Member States wish to strengthen cooperation and dialogue at all levels with the countries and regional organizations in the Asia-Pacific region, in particular ASEAN.

It welcomes the Council report on European Union strategy on Asia and urges the Council and the Commission to report to it as soon as possible on the practical measures taken in that respect.

### *Latin America*

**Reference:** Joint solemn declaration by the Council and the Commission, on the one hand, and the Mercosur States on the other: point 1.3.80 of this Bulletin



I.19. The European Council reaffirms the resolve expressed in the European Union's 'basic paper' on its relations with the Latin American and Caribbean States to establish a new, comprehensive partnership between the two regions. It urges the Council and the Commission, working on the basis of the Council report, to create as quickly as possible the conditions for an early opening of negotiations with the Mercosur States on an inter-regional framework agreement, including a Memorandum of Understanding, and to put ideas on the future form of treaty relations with Mexico and on the extension of relations with Chile into concrete form without delay.

## *Africa*

### **References:**

Ministerial conference on the European Union and Southern Africa: Bull. 9-1994, point 1.3.26

Twentieth meeting of the ACP-EU Council of Ministers: point 1.3.90 of this Bulletin

I.20. The European Council reaffirms the European Union's link with the ACP States, which has found expression in the Lomé Conventions. It confirms that priority will be also accorded in the future to the further development of relations. In this connection, particular importance is attached to the negotiations for the mid-term review of Lomé IV begun in 1994.

The European Council welcomes the recent signing of an Angolan peace agreement in Lusaka, and strongly urges the parties to abide fully by the terms of that agreement.

The European Council welcomes the stepping-up of cooperation with southern Africa as a result of the first meeting of European Union Foreign Ministers and the Southern African Development Community (SADC) and advocates the continuation of this cooperation in all spheres. It also advocates an intensive political dialogue between the European Union and the Organization for African Unity (OAU) in particular regarding conflict prevention in Africa.

The European Council is concerned at the worsening situation of the refugees on Rwanda's borders and the associated risk of regional destabilization. It welcomes, while emphasizing their extreme urgency, the current initiatives of the international Community aimed at easing the return of the refugees, supporting the Government of Rwanda in restoring the rule of law, and encouraging national reconciliation.

## *Nuclear Non-proliferation Treaty*

### **References:**

Conclusions of the Corfu European Council: Bull. 6-1994, point 1.21

Decision 94/509/CFSP concerning the joint action regarding preparation for the 1995 Conference

of the States parties to the NPT: OJ L 205, 8.8.1994; Bull. 7/8-1994, point 1.3.4

I.21. The European Council reaffirms the European Union's firm and full commitment already expressed at the European Council in Corfu, to the goals of universality and indefinite and unconditional extension of the Treaty on the Non-proliferation of Nuclear Weapons (NPT). The European Union will continue its endeavours to further this objective within the context of its 'Joint Action on the Preparation of the 1995 NPT Conference'.

## *Nuclear smuggling*

**Reference:** Commission communication on the illicit traffic in radioactive substances and other nuclear material: Bull. 9-1994, point 1.2.105

I.22. The European Council voiced its concern regarding nuclear smuggling and approved measures and guidelines to combat it. It calls on the Commission and Member States to step up their cooperation in this field and effectively to assist countries of origin and transit in taking action on the ground. It also calls on all States which have not yet done so to place their sensitive civilian materials (plutonium and highly enriched uranium) under international safeguards.

## *World summit on social development in Copenhagen*

**Reference:** Commission communication on the European Union's priorities at the world summit on social development: point 1.3.148 of this Bulletin

I.23. The European Council is following the preparations for the world summit on social development in Copenhagen from 6 to 12 March 1995 with particular attention. The European Union is actively involved in the preparation process and is committed in favour of a successful conclusion.

## *Berlin Conference on the Framework Convention on Climate Change*

**Reference:** Council conclusions on preparing the First Conference of States parties to the UN Framework Convention on Climate Change: point 1.2.214 of this Bulletin

I.24. The European Council confirms that, at the first Conference of States parties to the Framework Convention on Climate Change in Berlin in March 1995, in order to protect the climate from harmful changes, it intends to secure a stabilization of CO<sub>2</sub> emissions in the industrialized countries at 1990 levels up to the year 2000 and to consider how a similar commitment can be brought about beyond the year 2000.

## Justice and home affairs cooperation

### References:

Conclusions of the Brussels European Council: Bull. 12-1993, point I.8

Council report to the European Council on the implementation of the 1993 action plan in the field of justice and home affairs: Bull. 11-1994, point 1.4.1

I.25. The European Council welcomes the progress which has been achieved hitherto in the implementation of the December 1993 action plan.

This applies in particular to the harmonization of formal asylum law and the conditions for admitting students and self-employed persons, as well as harmonization of visa policy. It notes with satisfaction that as a result of a German initiative, travel has been made easier for school parties.

It calls upon the Council to ensure that proceedings on Regulations concerning the list of third countries subject to visa requirements and the uniform visa are brought to a conclusion, if possible by the next meeting of the European Council.

### *Europol*

I.26. The European Council emphasized the paramount importance of the common struggle against international organized crime, terrorism and the threat posed by drugs and has therefore decided that the convention establishing Europol is to be concluded at the latest by the European Council meeting in Cannes.

It welcomes the progress made under the German Presidency in preparing the Europol Convention. It regrets that, despite this progress, it has not been possible to bring the discussions to a conclusion.

It instructed the Council (Justice and Home Affairs), following on from the results already obtained on the basis of the existing draft, to achieve a balanced solution for the architecture of the system and the role of liaison officers, the inclusion of terrorism in Europol's remit, and also for the institutional aspects.

The European Council noted with satisfaction that the Europol Drugs Unit, as a forerunner to Europol, can already record some initial successes in combating drugs-related crime and associated illegal money-laundering operations. It agreed to extend the mandate of this institution to the fight against trade in radioactive and nuclear materials, the smuggling of persons, vehicle trafficking and associated money-laundering operations, and asks the Council to implement this as soon as possible by means of an appropriate legal instrument.

### *Drugs*

**Reference:** Commission communication to the Council and Parliament on a European Union action plan to combat drugs (1995-99): COM(94) 234; Bull. 6-1994, point 1.4.6

I.27. The European Council recalls the importance it attaches to the continuation by the Ministers concerned of the examination of the Union's action plan to combat drugs, submitted by the Commission. It notes that work has begun in the appropriate fora and requests that the work be completed so that conclusions can be put before the next European Council in June 1995.

### *Motor vehicle immobilizers*

I.28. The European Council welcomes the development of strategies for combating international organized motor vehicle related crime and particularly the Commission's intention of studying whether electronic immobilizers could be introduced on all new vehicles.

### *Fraud*

**Reference:** Council resolution on the legal protection of the financial interests of the Communities: point 1.4.3 of this Bulletin

I.29. As taxpayers, the citizens of Europe rightly expect fraud, wastefulness and mismanagement to be combated with the greatest rigour. Accordingly, the Treaty on European Union gave the European Parliament, the Council, the Commission and the European Court of Auditors new powers which must be applied to the full. The European Council therefore calls for concerted action by these institutions and the Member States.

In this connection, the European Council has taken note of the report on the protection of the Communities' financial interests and the decision on penal sanctions upon which the Council (Justice and Home Affairs) reached agreement on 1 December 1994. The European Council asks the Council (Justice and Home Affairs) to pursue its deliberations actively so that during the first half of 1995 joint action can be decided upon or a convention concluded in this area. It further asks the Council (Economic and Financial Affairs) to adopt the Regulation on the protection of the Community's financial interests as soon as possible.

The European Council asks the Member States to submit reports on the measures they are implementing domestically to combat wastefulness and the misuse of Community resources; these reports will be examined at the meeting of the Council (Economic and Financial Affairs) in June 1995 so that they can be submitted to the European Council in December 1995. Additionally, the Council, the other institutions and the Member States should implement more thoroughgoing follow-up measures to the special reports of the European Court of Auditors.

### *Taking in refugees from war and civil war*

I.30. The European Council pays tribute to the readiness shown by individual Member States to admit temporarily a large number of war and civil war refu-

gees and calls upon the Council (Justice and Home Affairs) to study the problems caused by the flood of refugees with a view to finding an effective arrangement for future sharing of the burden of humanitarian assistance.

## Europe and its citizens

### References:

Council Directive 93/109/EC laying down detailed arrangements for the exercise of the right to vote and to stand as a candidate in elections to the European Parliament for citizens of the European Union residing in a Member State of which they are not nationals: OJ L 329, 30.12.1993; Bull. 12-1993, point 1.2.254

Council Directive laying down detailed arrangements for the exercise of the right to vote and to stand as a candidate in municipal elections for citizens of the European Union residing in a Member State of which they are not nationals: point 1.1.2 of this Bulletin

I.31. The European Council believes that it is important to give a practical content to Union citizenship while respecting national particularities and the constitutional principles of the Member States of the European Union. It therefore welcomes the political agreement on the detailed arrangements concerning the right to vote and to stand for municipal elections, which will be in addition to Union citizens' existing right to vote and to stand in European Parliament elections. It assumes that the Directive will be adopted by the Council before the end of the year.

The European Council is agreed that the Union must become more transparent and closer to its citizens. The accession of new Member States should provide the opportunity to make progress along this road.

### *Freedom of movement in Europe*

**Reference:** Proposal for a Council Decision establishing the Convention on the crossing of the external frontiers of the Member States: OJ C 11, 15.1.1994; COM(93) 684; Bull. 12-1993, point 1.5.3; Bull. 4-1994, point 1.4.1

I.32. The European Council is concerned that the Convention on controls on persons crossing external frontiers, which would create an area without internal frontiers in accordance with the provisions of the Treaty and with freedom of movement for persons has still not been concluded. It invites the Council (Justice and Home Affairs) to submit the draft agreement for signature before the next meeting of the European Council, provided the last outstanding problem has been resolved.

In this connection the European Council noted with satisfaction that controls on persons at the internal borders of the Schengen States will be abolished as from March 1995 and that the security of citizens in the Schengen area will be ensured through application of the compensatory measures in the Schengen Agreement.

### *Promoting tolerance and understanding*

#### References:

Interim report to the European Council on progress made in the fight against racism and xenophobia: Bull. 11-1994, point 1.4.2

Contribution of the Youth Affairs Council to the interim report: Bull. 11-1994, point 1.2.210

I.33. The European Council emphasizes the great importance of the Union-wide fight against racism and xenophobia for the preservation of human dignity and the peaceful co-existence of all citizens in the European Union.

It approves the guidelines contained in the interim report of the Consultative Commission and calls upon the Consultative Commission to step up its discussions in particular in the various areas of education and training, information and media, and in the areas of police and justice.

The interim report of the Council (Justice and Home Affairs), together with the contributions of the Education and Youth Affairs Councils on this question, form a good basis for further progress with a view to elaborating an overall Union strategy against racism and xenophobia.

These discussions are receiving effective backup through the efforts of the Council of Europe.

The European Council calls on the Consultative Commission and the Justice and Home Affairs, Education and Youth Affairs Councils to continue their discussions to that end. The European Council in Cannes in June 1995 will adopt the overall strategy on the basis of those discussions.

### *Loss of the Estonia and natural disasters*

I.34. The European Council expresses its total solidarity with those bereaved by the loss of the *Estonia* and with the people of the regions in Italy, France and Greece affected by the recent natural disasters.

*Annex I*

**List of priority energy and transport projects**

*Transport projects*

I.35. Work begun or to begin before the end of 1996.

Projects	Countries concerned
High-speed train/Combined transport North-South Nuremberg-Erfurt-Halle/ Leipzig-Berlin Brenner axis: Verona-Munich	Italy, Austria, Germany
High-speed train (Paris)-Brussels-Cologne-Amsterdam-London Belgium: F/B border-Brussels-Liège-B/D border United Kingdom: London-Channel Tunnel access Netherlands: B/NL border-Rotterdam-Amsterdam Germany: (Aachen-) <sup>(1)</sup> G27 Cologne-Rhine/Main	Belgium United Kingdom Netherlands Germany
High-speed train South Madrid-Barcelona-Perpignan-Montpellier Madrid-Vitoria-Dax	Spain, France
High-speed train East Paris-Metz-Strasbourg-Appenweier-(Karlsruhe) with junctions to Metz-Saarbrücken-Mannheim and Metz-Luxembourg	France, Germany France, Germany France, Luxembourg
Conventional rail/Combined transport: Betuwe line Rotterdam-NL/D border-(Rhine/Ruhr)	Netherlands, Germany
High-speed train/Combined transport France-Italy Lyons-Turin Turin-Milan-Venice-Trieste	France, Italy

Projects	Countries concerned
Greek motorways: PATHE: Rio-Antirio, Patras-Athens-Thessaloniki-Promahon (Greek/Bulgarian border) and Via Egnatia: Igoumenitsa-Thessaloniki-Alexandroupolis-Ormenio (Greek/Bulgarian border)-Kipi (Greek-Turkish border)	Greece
Motorway Lisbon-Valladolid	Portugal, Spain
Conventional rail link Cork-Dublin-Belfast-Larne-Stranraer	Ireland, United Kingdom
Malpensa airport (Milan)	Italy
Fixed rail/road link between Denmark and Sweden (Øresund fixed link) including access routes for road, rail, air	Denmark, Sweden
Nordic triangle (rail/road)	Finland, Sweden
Ireland/United Kingdom/Benelux road link	United Kingdom (Ireland)
West Coast main line (rail)	United Kingdom

<sup>(1)</sup> Construction in progress, support already provided at Community level.

*Energy projects*

I.36. Projects on which work has already begun or may begin in the short term (up to 1997) and which are to be completed in the medium term (up to 1999).

Projects	Countries concerned
<i>Projects in the European Union</i>	
Electrical interconnection (underwater cable)	Italy, Greece
Electrical interconnection	France, Italy
Electrical interconnection	France, Spain

Projects	Countries concerned
Electrical interconnection	Spain, Portugal
East-West electrical interconnection (under-water cable)	Denmark
Natural gas network	Greece
Natural gas network	Portugal
Gas interconnection	Spain, Portugal

*Projects with neighbouring countries*

Gas delivery pipeline	Algeria-Morocco-European Union
Gas delivery pipeline	Russia-Belarus-Poland-European Union

## Annex II

### Christoffersen Group report

#### *Main recommendations*

I.37. The Group of Personal Representatives of Heads of State or Government invite the European Council to endorse the recommendations contained in the Group's report. These can be summarized as follows:

The European Council is asked to:

□ endorse the priority nature of the projects in Annex 1, Part I, and Annex 2, list A, and invite:

- the Council and the European Parliament, in setting up the guidelines identifying the projects of common interest, to include these priority projects;
- the Member States and the Community to give all appropriate support to these projects and to implement them as soon as possible;
- urge the European Parliament and the Council to adopt as soon as possible the guidelines and the accompanying financial regulation;

□ take note of the potential relevance of a network approach in selected sectors of environmental protection, and invite the Commission, the Council and Member States to examine the possibility of establishing guidelines for environmental network infrastructure and the obstacles to environmental infrastructure,

stressing the use of existing financial instruments in support of possible future guidelines and priority projects;

□ acknowledge that obstacles of an administrative, legal and regulatory nature are a major brake on the implementation of priority projects, and invite Member States and the Commission to take all appropriate initiatives needed to eliminate such obstacles;

□ confirm the objective of strengthening cooperation with neighbouring countries to connect the trans-European networks with networks outside the Union, in particular in Central and Eastern Europe and the Mediterranean area;

□ confirm the objective of facilitating private/public partnerships, and invite Member States, the Commission, the EIB and the EIF to take appropriate measures to this effect;

□ confirm that measures will be taken if proven necessary in order that priority projects do not run into financial or other obstacles which would jeopardize their implementation;

□ acknowledge that the particular approach of the Christophersen Group, consisting in identifying and accelerating selected priority projects, gives added value to the implementation of trans-European networks, and that this effort should be continued in the future, and consequently to endorse the follow-up procedure recommended by the Group, namely that:

- The European Council should provide on a continuing basis the necessary impetus to the implementation of priority projects on the basis of an annual report to be submitted by the Commission to the European Council in accordance with the White Paper action plan adopted by the European Council in December 1993.
- If the achievement of individual priority projects is threatened, the Commission should report to the Council, which shall immediately consider appropriate responses together with, as appropriate, the Commission and the EIB.
- Member States and the Union should be asked to consider the creation of suitable vehicles ('project authorities'), open to public and private operators as appropriate, to ensure the promotion of priority projects; the Commission, the EIB and the EIF should support actively the coordination between parties potentially interested in priority projects, inter alia by project seminars arranged by the Commission; the Commission will examine how the abovementioned vehicles can be facilitated through Community legislation.
- The Commission and the EIB should, in consultation with Member States, monitor progress in the financing of individual priority projects, and if financial obstacles of a general nature and common to several priority projects occur, they will consider appropriate action.

### *Annex III*

#### **EIB financing of trans-European networks**

I.38. The Council encourages the Bank to continue the work on which it is already well advanced in helping to finance the priority projects and, subject to its normal appraisal and lending criteria, to make an enhanced effort in the future. This effort should be undertaken in close association with the Member States and the promoters concerned, and should include the private sector in financing and risk-taking to the fullest extent possible.

To push this forward, the EIB is introducing a special window for the financing of infrastructure of Community interest, in particular the list of priority TEN projects. The purpose is to maintain or increase the momentum of EIB lending which was achieved under the Edinburgh facility. This will cover transport, telecommunications, and energy investment in the public sector, the private sector and partnerships between the two, as well as environmental lending for projects of a trans-European nature. The window will be available for lending not only within the Union but also in Central and Eastern Europe as well as in Scandinavia, the Mediterranean area and the trans-alpine crossings.

The main features are, in appropriate circumstances:

- where there is a sound financial case, the provision of longer maturities and longer capital grace periods so as better to match the debt repayment required to the cash-flow characteristics of the projects;
- provision of refinancing facilities to the banks at the outset of a project so that they can be assured that their loans can be refinanced in accordance with their normal maturities;
- involvement of the EIB in the earliest possible stages of the financial and contractual structuring of a project in cooperation with the Member States and the Commission so that the Bank's involvement and that of the EIF can facilitate the identification of suitable financial arrangements;
- an extension of the Bank's normal eligibility rules to provide for the more systematic inclusion of transport, energy and telecommunications network infrastructure irrespective of whether it is located inside or outside the assisted areas.

The Bank will also keep its Board of Directors regularly informed on the progress which has been made and will report annually to its Board of Governors.

### *Annex IV*

#### **Report from the Council to the Essen European Council on a strategy to prepare for the accession of the associated countries of Central and Eastern Europe**

##### *Introduction*

I.39. The European Council meeting of Copenhagen in June 1993 agreed that the associated countries in

Central and Eastern Europe that so desire shall become members of the European Union. Accession will take place as soon as the associated country is able to assume the obligations of membership by satisfying the economic and political conditions required as set out in the conclusions of that meeting. The Union's capacity to absorb new members, while maintaining the momentum of European integration and respecting its internal cohesion and its fundamental principles is also an important consideration in the general interest of both the Union and the candidate countries.

The associated countries have made remarkable progress on the road to political and economic reform. Consistency in this reform course is the key to successful integration into the EU.

The associated countries need to prepare for membership and to strengthen their capacity to assume the responsibilities of a Member State. On the European Union side, the institutional conditions for ensuring the proper functioning of the Union must be created at the 1996 Intergovernmental Conference, which for that reason must take place before accession negotiations begin. In addition, the Council wishes to have at its disposal a detailed analysis carried out by the Commission on the impact of enlargement in the context of the current policies of the Union and their development.

The European Council in Corfu asked the Presidency and the Commission to report to it for its next meeting on progress made on the process of alignment since the Copenhagen European Council, and on the strategy to be followed with a view to preparing for accession.

The main instruments of this strategy already exist. They are the structured relations with the institutions of the Union, as decided upon in Copenhagen, and the Europe Agreements. These agreements build a flexible and dynamic framework for various forms of cooperation. As Europe Agreements with additional States are concluded by decision of the Council, those States will be brought into this strategy.

The goal of the strategy presented here is to provide a route plan for the associated countries as they prepare for accession. The essential element of the strategy is their progressive preparation for integration into the internal market of the European Union, through the phased adoption of the Union's internal market *acquis*. This strategy will be supported by the implementation of policies to promote integration through the development of infrastructure, cooperation in the framework of the trans-European networks, the promotion of intra-regional cooperation, environmental cooperation, as well as the common foreign and security policy, cooperation in the areas of judicial and home affairs, and in culture, education and training. This integration will be supported by the Union's

PHARE programme which will develop on an indicative basis into an enhanced medium-term financial instrument with improved possibilities to promote infrastructure development and intra-regional cooperation. It is recognized that the Community *acquis* and Community policies will themselves continue to develop.

Politically the strategy will be realized through the development of a structured relationship between the associated countries and the Union. This will promote an atmosphere of mutual confidence and allow for the consideration of issues of common interest in a specially created framework.

This strategy will be realized through the following measures.

### *Structured relationship*

I.40. Of central importance to this strategy is the establishment of a 'structured relationship' between the associated partner countries of Central and Eastern Europe and the institutions of the European Union, in order that the associated countries can play a positive role in discussions on matters of common interest.

The creation of a multilateral framework for strengthened dialogue and consultations was decided by the Copenhagen Council, which foresaw the holding of meetings between, on the one hand, the Council of the Union and, on the other hand, the associated countries. These decisions are reaffirmed by this strategy.

The structured dialogue covers Community areas, especially those with a trans-European dimension (including energy, environment, transport, science and technology, etc.), Common foreign and security policy as well as home and judicial affairs. It will be effective in developing practical cooperation between the governments of the Member States and of the associated countries and should also be established at the level of the Parliaments of the participating countries and the European Parliament. Making such cooperation a normal part of the life of governments and parliaments will be an important preparation for accession.

There is agreement to hold — in addition to the meetings of the individual Association Councils agreed upon in the framework of the Europe Agreements — beginning in 1995 in principle, the following meetings with the associated partners on matters of common interest:

- Heads of State or Government: annual meeting on the margins of a European Council meeting.
- Foreign ministers: semi-annual meetings for discussion of the full scope of relations with the associated countries, in particular the status and progress of the integration process.
- Ministers responsible for internal market development, in particular finance, economics, and agricultural ministers: annual meeting.

- Transport, telecommunications, research, and environment ministers: annual meeting.
- Justice and/or home affairs: semi-annual meetings.
- Cultural affairs, education: annual meeting.

In general, the meetings should take place in connection with the corresponding Council meeting. When necessary, additional meetings of the Council with the associated countries can be scheduled.

Every member State which takes over the Presidency in the first half of a calendar year is invited, in agreement with the following Presidency, to arrange the meetings with the associated countries for that year according to the above schedule and to identify them in its workplan.

Careful preparation of these meetings with the associated countries is extremely important. It will be for Coreper to arrange this, and to ensure the horizontal coherence of the structured dialogue. Regarding preparation for meetings of the General Affairs Council with the Ministers for Foreign Affairs of the associated countries of the Central and Eastern Europe, insofar as they cover the full range of relations between the EU and the countries of Central and Eastern Europe, or in other special situations to be determined on a case-by-case basis, consideration could be given to holding preparatory talks in the form of joint meetings in Brussels, in particular at ambassadorial level.

### *Preparing to extend the internal market*

I.41. On accession, the acceding countries will become part of the internal market. Therefore preparation for the internal market must be at the heart of the pre-accession strategy. It will assist the associated countries to take on the obligations of membership of the Union and to develop their capacity to cope with competitive pressure and market forces within the Union. In the coming years, integration into the internal market will involve a complex process of approximation of legislation, norms and standards. The strategy adopted today is therefore designed for the medium term but is accompanied by short term measures which will have immediate application.

### **Short-term measures**

#### *(a) Commercial defence instruments*

The Commission, without prejudice to the position of the Council, in the exercise of its responsibilities for anti-dumping and safeguard measures and in the framework of the individual Europe Agreements, will offer information to any associated country before the initiation of proceedings and will give, on a case-by-case basis, where appropriate, a clear preference to price undertakings rather than duties in order to conclude anti-dumping cases where injury is found.

*(b) Trade in textiles*

The EU will improve further access to the Union's market in the area of textiles, by exempting from custom duties products concerned by outward processing operations, covered by Regulation No 636/82, extended and duly modified for this purpose.

*(c) Cumulation of rules of origin*

The core of the strategy on cumulation will be based on strengthening the effectiveness of the Europe Agreements. The aim is to ensure that existing cumulation provisions can be exploited fully by economic operators. The existing diagonal cumulation with the four associated countries shall be extended to Romania and Bulgaria. The successful implementation of such a system would be dependent on the associated countries all agreeing on one system and on concluding an agreement between themselves. The structure should be flexible and allow the future addition of further countries who become associated countries such as the Baltic States and Slovenia.

Secondly and to the greatest extent possible concurrently, diagonal cumulation should be introduced between the EC/EFTA countries, treated as one territory for the purposes of rules of origin and the associated countries. All EC, Central and East European and EFTA countries would then be involved in what could be called European cumulation. Consideration would have to be given to the need to avoid circumvention by means of introducing specific provisions in agreements.

Before the introduction of full cumulation into all Europe agreements as a third stage at the end of the process, whose difficulties should not be underestimated, the Council will take its decision on the basis of a thorough evaluation of the sectorial and regional consequences on European industry of introducing full cumulation, taking into account the effects of the first two stages. Focusing on harmonization of rules of origin and the extension of cumulation possibilities would strengthen the effectiveness of the Europe Agreements, improve market access for originating products and stimulate economic cooperation throughout Europe.

*(d) Alignment Bulgaria/Romania*

The timetables relating to duties and tariff quotas in industrial products, textiles, ECSC products and processed and non-processed agricultural products for Bulgaria and Romania will be aligned with those of the other associated countries in accordance with the arrangements agreed by the General Affairs Council on 31 October.

*(e) Adjustment of the Association Agreements*

The Association Agreements will be adapted in the light of enlargement of the Union at the beginning of

1995 in order not to disrupt traditional trade flows, and of the conclusion of the Uruguay Round and to further develop trade.

**Medium-term measures**

*Internal market*

In order to be ready to participate in the internal market on accession, the associated countries will need to align their legislation with that of the Union. To assist this process, the Commission, after consultations with the associated countries, will present to the Council a White Paper on the internal market outlining the measures which the associated countries will need to adopt.

The White Paper will identify the relevant *acquis* in the various sectors which will contribute to the creation of the conditions for establishing a single market.

The major tasks fall to the associated countries, which will have to put into place legislative and regulatory systems, standards and certification methods compatible with those of the EU.

The EU undertakes to assist the associated countries in their task. The White Paper will propose concrete methods of cooperation, making maximum use of the Association Agreements. To this end the Commission will make the necessary organizational arrangements for providing the specialized technical assistance needed, to associate Member States with such efforts wherever possible and to ensure coordination.

The efforts will require resources as well as technical and legal assistance, much of which will be channelled through the PHARE programme.

This White Paper will be an important guide to our partners in their preparation for accession and will be considered by the next meeting of the European Council in June 1995.

**Competition and State aids**

In the context of future accession, satisfactory implementation of competition policy and State aids control in the associated countries is of special importance. Work in this area is well advanced in most of the associated countries in terms of the adoption of competition policy legislation and the setting up of competition offices.

In the area of State aids, the Commission will assist the associated countries to draw up and thereafter update an inventory of their State aids, established on the same basis as in the Union. The Commission is requested to make an annual report to the Council on these inventories. In addition to the types of aid



allowed in the Union, the Commission can also provide guidance on the compatibility of aid designed to combat the specific problems of the associated countries as they undergo reform. The Commission will set up a competition policy training programme which will draw on the expertise and experience of Commission and Member State competition authorities.

Each associated country could empower a single authority to monitor and control all State aids. The aim is to ensure that the authority given the task of monitoring State aids carries out its tasks independently, on the basis of transparent legislation, and as uniformly as possible.

As satisfactory implementation of competition policy and control of State aids together with the application of those parts of Community law linked to the internal market are achieved, providing a guarantee against unfair competition comparable to that existing inside the internal market, so the Union should be ready to consider refraining from using commercial defence instruments for industrial products.

### *Agriculture*

I.42. The agricultural sector and the related food-processing industry in the associated countries contribute significantly to the economic development of these countries. Therefore the Commission will examine the effects on agriculture in these countries of all subsidized exports. The Commission will conduct this examination in the light of the respective price levels in the EU and in the associated countries and will take account of these differences in fixing refunds. The Council takes note of the Commission's proposal to adjust the Association Agreements in the light *inter alia* of the results of the Uruguay Round and the enlargement of the Union. In order to bridge the possible gap after the accession on 1 January 1995 and the formal adaptation of the association agreements, autonomous measures should be taken only on a purely technical basis in order not to disrupt traditional trade flows.

Furthermore the Commission is requested to present a report on the reasons why only a few tariff quotas opened by the Union are fully utilized and to indicate during the first half of 1995 by what means the use of existing quotas could be improved.

As agriculture represents a key element of this strategy, the Commission is asked to present in the second half of 1995 a study on alternative strategies for the development of relations in the field of agriculture between the EU and the associated countries with a view to a future accession of these countries.

### *Promoting investment*

I.43. Rapid growth in the associated countries and continuing structural reform in these countries are

essential elements for the eventual success of the process of economic transformation in the associated countries. While increasing savings will finance domestic investment, foreign investment is also needed in larger volumes. Therefore the European Union has adopted a programme to stimulate investment from the Union, while recognising that still the greatest effort has to come from the associated countries themselves.

In accordance with arrangements agreed by the General Affairs Council on 31 October, this programme will include continuing support for investment promotion agencies, the establishment of an Advisory Business Council as well as continuing support through PHARE for initiatives such as restructuring and modernization of productive capacity and small business development and for helping financing infrastructural investment.

### *Common foreign and security policy*

I.44. The structured relationship covering common foreign and security policy is especially important as a means for overcoming the widespread sense of insecurity in Central and Eastern Europe. It can reinforce efforts in the framework of the Western European Union, NATO and the partnership for peace, the Conference on Security and Cooperation in Europe and the stability pact, to increase security and stability throughout Europe. The Union and the associated countries have a common interest in preventing conflicts related to issues such as borders and frontiers, and should consult frequently on foreign and security policy issues of mutual concern.

Achievements in this field of cooperation have been considerable. The multilateral political dialogue with the associated countries is being intensified starting with the conclusions of the Copenhagen European Council June 1993 and aiming now at acquainting the associated countries with procedures used within the EU and at the same time giving them an opportunity to be associated with Union actions.

The General Affairs Council in its 7 March 1994 meeting decided not only to further reinforce and broaden the dialogue at all levels but also to open the possibility for the associated countries to align themselves with certain CFSP activities of the Union: statements, demarches and joint actions. Practical guidelines on implementation of this were drawn up in consultation with the associated countries in October 1994.

This process can be built upon, and cooperation made more focused and substantive, by identifying priority themes at the beginning of each Presidency.

### *Justice and home affairs*

I.45. The 'Berlin Declaration' agreed by the ministers for justice and home affairs participating in the Berlin

Conference of 8 September 1994 emphasizes that, in view of the prospect of accession of the associated countries to the EU, cooperation in combating all forms of organized crime takes on particular significance. Along the lines of the 'Berlin Declaration', the EU envisages cooperation with the associated countries, *inter alia*, in the following areas:

- illicit drug trade
- theft of and illegal trade in radioactive and nuclear material
- illegal immigration networks
- illegal transfer of motor vehicles.

The EU will identify those areas where cooperation with the associated countries is especially urgent or especially promising, either from their standpoint or that of the Union. A comprehensive package of measures with proposals for how cooperation in the individual areas named in the Berlin Declaration should proceed, should be submitted to the European Council under the French Presidency. Cooperation in the areas of asylum and immigration should also be taken forward, in particular by establishing links between the associated countries and CIREA and Cirefi (the asylum and immigration 'clearing houses').

### *Environment*

I.46. Environmental issues are of vital importance to both the associated countries and the European Union. Many of these problems can only be solved at the continental level and therefore close cooperation is necessary.

To this end, the EU underlines the importance of attaining the objectives set out at the meeting of the Council (Environment) with the environment ministers of the associated countries on 5 October 1994 in Luxembourg.

The EU underlines the importance of the 'Environment for Europe' process and will cooperate closely in preparing the Sofia conference in 1995. An intensive exchange of information on environmental policy, strategies for sustainable development, the incorporation of environmental requirements into other policies, legislation at European Union and national level and initiatives taken in other international fora should be established within an appropriate framework. Priorities for a programme aiming at the convergence of environmental policies and the approximation of environmental legislation of the associated countries should be evaluated.

Close cooperation by the associated countries with the European Environment Agency in accordance with Article 19 of its regulation and in the future joining the agency will help to achieve the objectives set out in Luxembourg.

It is of special importance to ratify and implement the UN Framework Convention on Climate Change as

rapidly as possible in particular with the aim of stabilizing, limiting, or reducing CO<sub>2</sub> emissions in accordance with the provisions of the Convention, and to cooperate closely in order to pave the way for a possible extension of the commitments under the Convention at the first Conference of the Parties to the Convention in Berlin in 1995.

Furthermore the EU underlines the need to integrate environmental requirements into national and European transport policies in the light of the recommendations and goals set out by the Luxembourg 5 October ministerial meeting. The EU agrees to cooperate closely in the context of the preparations under way for the 1996 UNECE Conference on transport and environment, with a view to a positive outcome to the conference in terms of the conclusions reached in the 5 October ministerial meeting.

Assistance from the PHARE programme can be provided in order to help meet the objectives established jointly between the European Union and its partners. The European Union will encourage other donors and the international financial institutions to provide their support for this programme and to improve their cooperation in order to achieve synergy effects.

### *Transport/TEN*

I.47. The integration of the associated countries into the trans-European networks is a key element in strengthening their economic and political ties to the Union.

In light of this, the group of personal Representatives of the Heads of State or Government in the areas of transport and energy has addressed the question of the expansion of the TEN to neighbouring States, taking into account the relevant guidelines for the community area and the priorities of the neighbouring States. Their recommendation to intensify coordination procedures is an important step toward establishing the trans-European networks beyond the Union.

The group recommended further work on the following projects:

- Berlin–Warsaw–Minsk–Moscow (rail and road)
- Dresden–Prague (rail and road)
- Nuremberg–Prague (road)
- permanent connection over the Danube between Bulgaria and Romania (rail and road)
- Helsinki–St Petersburg–Moscow (rail and road)
- Trieste–Ljubljana–Budapest–Lvov–Kiev (rail)
- Russia–Belarus–Poland–EU (natural gas pipeline)
- Baltic Sea telematic platform and Baltic ring electricity network.

The Commission and the Member States will, in accordance with the conclusions of the group, continue

to examine intensively which corridors and projects shall be given priority and how they can be completed. For this the available financial instruments are to be used in the most efficient way possible. This applies to European Investment Bank loans, the PHARE programme and cross-border cooperation in connection with the Interreg II Community initiative.

Particular attention should be given to the special TEN window announced by the EIB, which is also relevant for projects in the associated countries. Plans in the areas of transport, telecommunication and energy, as well as trans-European plans in the environmental area, would come under this facility.

### *Culture, education and training*

#### **General**

I.48. The fundamental goal of not only expanding cooperation with the associated countries economically and politically but developing it also in the areas of education, youth and cultural affairs, is supported by the Member States of the Community, the European Parliament, and the Commission. While adequate contributions by the Community are called for, it is for the Member States to decide to pursue the deepening of their relationship with the associated countries in accordance with their goals and perceptions of the possibilities for doing so. All activities must take under full consideration the linguistic and cultural diversity of the Union.

#### **Culture**

I.49. The Commission has been requested to identify all current and planned programmes of the Community and its Member States as well as international organizations with the associated countries in the area of cultural affairs with a view to creating greater transparency and coordination.

The new cultural programmes presented by the Commission and still under discussion could be opened for third countries, and appropriate participation by the associated countries should be possible in accordance with the Council Decision of 27 July 1994.

The Europe Agreements as well as bilateral agreements are setting out a wide range of possibilities to intensify cultural cooperation including *inter alia*: conservation of cultural and architectural heritage, training, translation of literary works, exchange of non commercial works of art, film production and cooperation in the audiovisual sector, and cooperation to prevent illegal trading of cultural goods.

#### **Education**

I.50. The Community programmes Leonardo and Socrates and the Youth for Europe programme should be opened to the associated countries on the basis of

the Council decision of 27 July 1994. Equally important is the Tempus programme to support the restructuring of higher education, and vocational training.

European academic institutions should draw the associated countries step by step into their work, and increasing cooperation with Europe-focused institutions in the associated countries should be considered.

Bilateral cooperation in areas concerned — for example the structural reform of vocational training and the development of new qualifications required by the reform of the economic system — is of special importance. Furthermore bilateral efforts to promote the exchange of university students and professors and the joint development of curricula could be intensified as well as the creation of school partnerships and the promotion of European language learning.

#### **Training of administrators**

I.51. The training activities of the Commission as well as significant national efforts to provide diplomats and other government officials from the associated countries with the necessary political, legal and related training in European affairs should be strengthened and expanded.

#### **Information**

I.52. There is a need among Member States of the EU and the associated countries to have a better knowledge of each others' societies. Therefore expansion and deepening of information efforts are necessary, as of course are full respect of free broadcasting, freedom of the press and free circulation of ideas.

#### *Financial cooperation*

I.53. The main role of EU financial assistance under the PHARE programme will be to:

- help the associated countries to absorb the *acquis communautaire*;
- complete market reforms and the medium-term restructuring of their economies and societies so as to create the conditions required for future membership.

PHARE needs to be endowed appropriately, taking into account the restructuring of priorities foreseen in this strategy. Flexible and indicative multiannual planning will be introduced both in general and country by country. The focus will be on a comprehensive framework for the next five years. The Edinburgh financial perspectives, including the planned rates of increase and the increases resulting from EU expansion, will continue to apply for the PHARE programme.

The 1995 budgetary estimates for the PHARE programme will serve as minimum level also for the next years until 1999. The Council will review the rates of

increase which it views in principle as desirable — after the Essen European Council. This will increase the effectiveness of the PHARE programme to assist the integration process leading to accession taking account of the views of the associated countries. The PHARE programme will support measures to promote the approximation of laws and standards as well as the economic reform process and the development of adequate infrastructure. In order to assist infrastructure development, the European Union will increase the 15% limit on PHARE financing agreed at Copenhagen to 25%.

The EIB is invited to develop its lending operations within its present guaranteed loans ceiling, especially in the area of infrastructure investment, as a contribution to the preparation of accession. It should, wherever feasible, explore the possibilities of a close cooperation with PHARE and the international financial institutions.

#### *Intra-regional cooperation and promotion of bon voisinage*

I.54. For the success of this strategy, intra-regional cooperation between the associated countries themselves and their immediate neighbours is of particular importance. The Pact for Stability emphasizes these aspects from the political and security angles and many practical examples of cooperation between neighbouring countries are funded with the PHARE programme. Such cooperation is also important for promoting regional economic development.

The EU encourages the associated countries to expand the bilateral free trade relationship they each have with the Union to their relations with one another. In this context moves to create a Central European Free Trade Area point in the right direction.

To further promote intra-regional cooperation which will contribute to the realization of the Pact for Stability, the EU will:

- launch a new initiative to promote trade in the region. This will include support for the introduction of modern trade legislation where necessary, transfer of European Union know-how in export promotion and marketing, support for spreading European Union norms and technical assistance for the development of export insurance and guarantee schemes;

- establish a programme of regional cooperation and *bon voisinage*, in accordance with the arrangements agreed by the General Affairs Council on 31 October, to promote multiannual, multi-country cooperation in land and maritime border regions encompassing European Union-CEEC, CEEC-CEEC and CEEC-CIS countries in areas such as transport, utilities, environment, economic development, human resources and agriculture. It will be used to cofinance actions with Interreg along EU-CEEC borders. In the alloca-

tions between the eligible countries due account will be taken of the need not to reduce the efforts already envisaged for regions bordering the present Community. In appropriate circumstances, grants from this fund can be combined, in a coherent and effective way, with funds from EIB, EBRD and the World Bank to provide substantial, coordinated and rapid disbursing support for projects related to regional cooperation and *bon voisinage*. The Council invites the Commission to present a report on this issue in due time before the Pact for Stability meeting;

- develop a programme to eliminate delays at frontiers.

The European Union, in deciding this strategy, re-emphasizes the commitment of the Union to the accession of the associated countries while recognizing the scale of the effort required for the necessary adjustments to developing Union policies. This strategy is designed to help them meet this challenge of implementing the route plan to accession.

#### *Annex V*

#### **Council report for the European Council in Essen concerning the future Mediterranean Policy**

I.55. The Council examined the communication to the Council and the European Parliament on the strengthening of the Mediterranean policy of the European Union through the establishment of a Euro-Mediterranean Partnership, which the European Commission presented on 25 October 1994 at the request of the European Council of Corfu. The Council, at its meeting of 31 October 1994, took note with great interest of the communication of the Commission.

The Council fully shares the view of the European Commission that the Mediterranean basin constitutes an area of strategic importance for the Community. Peace, stability and prosperity in the region are amongst the highest priorities of Europe.

Having this in mind, the Council endorses the general concept and the objectives of a Euro-Mediterranean Partnership based on the reinforcement of the cooperation in a wide range of areas as developed in the Commission's communication. Such a partnership would have to build on the already close relations with the countries of the region and the structures of the existing global Mediterranean Policy of the European Union. It would also have to take into account the specific needs and capacities of each country concerned.

The Council supports the establishment of an Euro-Mediterranean area of political stability and security. The reinforcement of the political dialogue must be based on respect for democracy, good governance and human rights.

The Council agrees that an important element of a future Euro-Mediterranean Partnership would be to start with a process of progressive establishment of free trade between the Mediterranean countries themselves and between the region as a whole and the European Union as proposed by the Commission in its communication. In fostering such a zone, regional cooperation will be a key factor.

The Council agrees that such a progressive development should be supported by substantial additional financial aid.

The Council will examine this subject rapidly after the European Council in Essen taking into consideration the following elements:

- the basis for this work is the own resource decisions of the Edinburgh European Council, including the financial perspective concerning the category 'external policies';
- in accordance with the conclusions of the Edinburgh European Council and bearing in mind the Community's changing priorities, an appropriate balance should be maintained in the geographical distribution of the Community's commitments;
- as to the future structure of financial assistance to the Mediterranean region, the Council is of the opinion that this question requires further elaboration by the Commission and thorough discussion within the Council.

The Council endorses the concept of the Commission that the European Union should embark on developing other areas of cooperation to be jointly defined with the Mediterranean partners. These could cover industrial and development cooperation, social and cultural cooperation, energy, environment, information and communication technology, services, capital, science and technology, drug trafficking, illegal immigration, tourism as well as transport and networks.

The Council notes that European Union assistance to the Mediterranean region cannot replace major efforts by the countries concerned to improve their own situation and their economic and social development.

The Council, therefore, submits the following elements for actions which could be endorsed by the European Council in Essen:

- to reiterate the European Union's willingness to support the Mediterranean countries in their efforts to

transform their region progressively into a zone of peace, stability, prosperity and cooperation by establishing a Euro-Mediterranean partnership and to strengthen progressively trade relations between the parties on the basis *inter alia* of the results of the Uruguay Round;

- to conclude, by the end of this year, the negotiations with Morocco, Tunisia and Israel as requested by the European Council at Corfu;
- to open similar negotiations in the near future with Egypt and other eligible Mediterranean countries wishing to do so;
- to continue economic support to Algeria, as envisaged by the European Council at Corfu, while calling for dialogue among all those who reject violence;
- to invite the Commission and the Council to implement the principles referred to in paragraph 6;
- to conclude the negotiations with Turkey on the completion and full implementation of the Customs Union and to reinforce the relations with this partner;
- to reconfirm that the next phase of enlargement of the Union will involve Cyprus and Malta and to invite the Council to examine in early 1995 new reports to be presented by the Commission as well as a report by the European observer for Cyprus.

The Council recommends that the European Council agree that the European Union should convoke in the second half of 1995 a Euro-Mediterranean Ministerial Conference. All Mediterranean countries concerned should be invited to that Conference. The Conference, which will require intensive preparation in cooperation with the countries concerned, should allow an in-depth discussion of future Euro-Mediterranean relations, addressing all relevant political, economic, social and cultural issues.

The Conference should reach agreement on a series of economic and political guidelines for Euro-Mediterranean cooperation into the next century. The Conference will establish a permanent and regular dialogue on all subjects of common interest.

The Council invites the Commission to forward in early 1995 specific proposals for the implementation of all the aspects of its communication in order to allow the Council to take the necessary decisions and to prepare the Conference.



# **PART ONE**

**ACTIVITIES  
IN DECEMBER 1994**

# News in brief

## **Citizens' rights**

- The Council adopts a Directive laying down detailed arrangements for the exercise of the right to vote and stand as a candidate in municipal elections by citizens of the Union residing in a Member State of which they are not nationals (→ point 1.1.2).

## **Community economic and social area**

### *Economic and monetary policy*

- The Commission adopts the 1995 Annual Economic Report (→ point 1.2.6).

### *Internal market*

- The Commission adopts a proposal for a Directive to facilitate practice of the profession of lawyer on a permanent basis in a Member State other than that in which the qualification was obtained (→ point 1.2.29).

### *Competition*

- The Commission approves a draft Directive lifting restrictions on the use of cable television networks for the carriage of telecommunications services (→ point 1.2.41).

### *Enterprise policy*

- The Commission adopts a recommendation on the transfer of small and medium-sized enterprises (→ point 1.2.87).

### *Research and technology*

- The Council adopts the last 11 specific programmes under the 1994-98 framework programme (→ points 1.2.91 to 1.2.101).

### *Trans-European networks*

- The European Council adopts the list of priority projects (→ points I.6, I.35, I.37 and I.38).

### *Energy*

- The European Energy Charter Treaty is signed (→ point 1.2.110).
- The Commission adopts a proposal for a Directive on energy efficiency requirements for household electric refrigerators, freezers and their combinations (→ point 1.2.108).



*Transport*

- The Commission adopts a proposal for a Directive on the opening-up of the ground handling market at Community airports (→ point 1.2.124).

*Economic and social cohesion*

- The Commission adopts a communication on a special support programme for peace and reconciliation in Northern Ireland (→ point 1.2.150) and the European Council approves the principle of the programme (→ point I.10).
- Objective 2: the Commission approves single programming documents for certain Belgian, French, Italian and Netherlands regions and the Community support framework for the Spanish regions (→ point 1.2.131).
- Objective 5(a): the Commission approves the single programming documents for Germany (→ point 1.2.135).
- Objective 5(b): the Commission approves single programming documents for certain German, Spanish, French, Italian, Netherlands and United Kingdom regions and for Denmark (→ point 1.2.140).

*Fisheries*

- The Council agrees a proposal for a Regulation establishing the rules for access to certain Community fishing areas and resources (→ point 1.2.170).
- The Council adopts TACs and quotas for 1995 (→ point 1.2.175).

*Environment*

- The Commission adopts a communication on environmental indicators and green national accounting (→ point 1.2.197).
- The Council adopts conclusions on the Community strategy to reduce CO<sub>2</sub> emissions (→ point 1.2.213) and on the environment and transport (→ point 1.2.210) and a Regulation on substances that deplete the ozone layer (→ point 1.2.212).
- The Council adopts Directives on the incineration of hazardous waste (→ point 1.2.204) and on packaging and packaging waste (→ point 1.2.203).

*Social policy*

- The European Council identifies five main employment-related areas for action (→ point I.3).
- The Council adopts a resolution on prospects for a European Union social policy (→ point 1.2.218).

*Education, vocational training and youth*

- The Council adopts an action programme for the implementation of a European Community vocational training policy 'Leonardo da Vinci' (→ point 1.2.227).

**Role of the Union in the world***Common foreign and security policy*

- The Council adopts a Decision on the joint action concerning the control of exports of dual-use goods (→ point 1.3.2).

*Central and Eastern Europe and the Independent States of the former Soviet Union*

- The European Council adopts an overall strategy to forge closer links between the associated countries of Central and Eastern Europe and the European Union (→ points I.13 and I.39 to I.54).
- The Council adopts Decisions regarding the conclusion of Europe Agreements with Bulgaria (→ point 1.3.22), Romania (→ point 1.3.26), the Slovak Republic (→ point 1.3.30) and the Czech Republic (→ point 1.3.33).
- The Council adopts Decisions on the conclusion of Agreements on free trade and trade-related matters with Estonia (→ point 1.3.37), Latvia (→ point 1.3.40) and Lithuania (→ point 1.3.43).

*Mediterranean and Middle East*

- The European Council advocates a Euro-Mediterranean partnership (→ points I.14 and I.55).
- The Council adopts directives for the negotiation of a draft Association Agreement with Egypt (→ point 1.3.67).

*International organizations and conferences*

- The Council adopts the Decision on the conclusion of the results of the Uruguay Round trade negotiations (→ point 1.3.98).

*Common commercial policy*

- The Council adopts a Regulation laying down measures to prohibit the release for free circulation, export, re-export or entry for a suspensive procedure of counterfeit and pirated goods (→ point 1.3.127).
- The Council adopts a Regulation establishing arrangements for the control of exports of dual-use goods (→ point 1.3.128).

*Development policy*

- The Council adopts a Regulation applying a four-year scheme of generalized tariff preferences (1995-98) (→ point 1.3.149).

**Financing Community activities**

*Budgets*

- The adjustment of the financial perspective is agreed (→ point 1.5.2).
- The 1995 budget is adopted (→ point 1.5.3).

# 1. Citizens' rights

*1.1.1.* Convinced of the importance of giving a practical content to the concept of European citizenship, the European Council welcomed the agreement reached on the detailed arrangements for the exercise of the right to vote and to stand as a candidate in municipal elections and the imminent abolition of internal frontier controls in the Member States party to the Schengen Agreement. It also stressed the importance of the fight against racism and xenophobia in the European Union and took note of the first Commission report on the application of the subsidiarity principle, confirming its importance as a guiding principle of the Union (→ points I.31 to I.33 and I.11).

## Union citizenship

### *Right to vote and stand in elections*

*1.1.2.* Council Directive 94/80/EC laying down detailed arrangements for the exercise of the right to vote and stand as a candidate in municipal elections by citizens of the Union residing in a Member State of which they are not nationals.

**Reference:** Council Directive 93/109/EC laying down detailed arrangements for the exercise of the right to vote and stand as a candidate in elections to the European Parliament for citizens of the Union residing in a Member State of which they are not nationals: OJ L 329, 30.12.1993; Bull. 12-1993, point 1.2.254

**Commission proposal:** OJ C 105, 13.4.1994; COM(94) 38; Bull. 1/2-1994, point 1.1.1

**Economic and Social Committee opinion:** Bull. 9-1994, point 1.1.1

**Committee of the Regions opinion:** Bull. 9-1994, point 1.1.1

**Parliament opinion:** OJ C 323, 21.11.1994; Bull. 10-1994, point 1.1.1

*Adopted on 19 December.* This Directive follows on from the adoption of the Directive on voting rights in European elections and represents the second instalment of the legislation embodying one of the principal rights of Union

citizenship under Article 8b(1) of the EC Treaty, which gives Union citizens residing in a Member State of which they are not nationals the right to vote and stand for election on the same conditions as nationals. The Directive leaves it to Union citizens to decide whether to vote in their country of origin or in their country of residence and provides that non-nationals must be entered on the electoral roll on the same conditions as nationals.

The Directive specifies that where voting is compulsory, non-nationals who have asked to be entered on the electoral roll must vote. It also tackles the issue of ineligibility by allowing Member States to reserve certain elective offices entailing the exercise of public authority or the election of a parliamentary assembly for their own nationals. In general, the Directive is based on the principle that any exceptions to the general rules must be warranted by problems specific to a Member State and must be reviewed in a report to be submitted by the Commission by the end of 1998. For example, it allows countries where the proportion of nationals of other Union countries exceeds 20% to restrict the right to vote and stand as a candidate to those who meet certain criteria regarding length of residence.

The Directive has to be incorporated into national law by 1 January 1996.

OJ L 368, 31.12.1994

## Protection of citizens

### *Data protection*

*1.1.3.* Proposal for a Council and Parliament Directive on the protection of individuals with regard to the processing of personal data and on the free movement of such data.

**Reference:** Conclusions of the Corfu European Council: Bull. 6-1994, point I.8

**Commission proposal:** OJ C 277, 5.11.1990; COM(90) 314; Bull. 7/8-1990, point 1.3.310

**Economic and Social Committee opinion:** OJ C 159, 17.6.1991; Bull. 4-1991, point 1.2.140

**Parliament opinion (first reading):** OJ C 94, 13.4.1992; Bull. 3-1992, point 1.2.214

**Amended Commission proposal:** OJ C 311, 27.11.1992; COM(92) 422; Bull. 10-1992, point 1.3.177

**Proposal subject to the co-decision procedure since 1 November 1993**

*Common position agreed by the Council (internal market) on 8 December.* In response to a request from the Corfu European Council, the Council reached agreement on the substance of the proposal, which is designed to remove the obstacles to the free movement of personal data resulting from differences in national laws while

guaranteeing an equivalent level of protection of the rights, especially the right to privacy, of data subjects throughout the Community. The Directive lays down common rules to prevent the misuse of personal data and to ensure that the persons concerned are informed of the existence of processing by those who collect, store and transmit personal data. It also seeks to give individuals the right to access and correct data and the right of appeal in the case of unlawful processing. However, it makes provision for specific exemptions for the press and for scientific or medical research, as well as for control mechanisms relating to the transfer of data by national and Community authorities.

## 2. The Community economic and social area

### Implementation of the White Paper on growth, competitiveness and employment

1.2.1. The European Council established a set of guidelines for continuing and strengthening the White Paper strategy in order to consolidate growth, improve the competitiveness of the European economy and the quality of the environment and create more jobs.

It identified five key areas for action to fight unemployment (→ point I.3): improving employment opportunities for the labour force by promoting investment in vocational training; increasing the employment-intensiveness of growth; reducing non-wage labour costs; improving the effectiveness of labour-market policy; improving measures to help groups which are particularly hard hit by unemployment. It also urged the Member States, in their individual policies, to transpose these recommendations into a multiannual programme having regard to the specific features of their economic and social situation.

On trans-European networks, it endorsed the most important recommendations of the Christophersen Group, confirmed the start of work on 14 priority transport projects and adopted a revised list of 10 priority energy projects. It also backed implementation of the measures necessary to ensure sufficient financing for trans-European networks (→ points I.6, I.35, I.37 and I.38).

In the economic policy field, the European Council invited Member States to build on progress towards price and exchange-rate stability and on renewed growth in order to achieve budgetary consolidation and facilitate strict compliance with the convergence criteria for economic and monetary union (→ point I.4). It stressed the need for effective, uniform application of the single-market rules (→ point I.8), welcomed the Commission's intention of setting up a high-

level group on competitiveness (→ point I.8), called for continued work on improving the legal environment for biotechnology (→ point I.8), and took note of the Commission's intention of proposing common parameters to enable Member States to apply a CO<sub>2</sub>/energy tax on a voluntary basis (→ point I.5). It stressed the importance, in preparing for the information society, of the basic decision to liberalize telecommunications infrastructures by 1 January 1998 and of the role to be played by the private sector and international cooperation (→ point I.7).

### Economic and monetary policy

1.2.2. The European Council called for the progress made in achieving price and exchange-rate stability and the return to growth to be used to attain the objective of budget consolidation and to facilitate the strict observance of the convergence criteria, making it possible to attain economic and monetary union (→ point I.4).

### Economic and monetary union

#### *Coordination of policies*

1.2.3. Council conclusions on the Dutch convergence programme 1995-98.

**Reference:** Council conclusions on the Dutch economic convergence programme: Bull. 7/8-1992, point 1.3.2

*Adopted on 5 December.*

'The Council welcomed the presentation of the new Dutch convergence programme for the period 1995-98. The programme reconfirms the commitment of the first Dutch convergence programme, which

covered the period 1992-94, to comply with all the convergence criteria for moving to stage III of EMU. The aim of the new programme is to tackle the remaining imbalances in the public finance situation, which are closely related to the problems in the labour market, while maintaining the high degree of nominal convergence achieved so far.

The Council encouraged the Dutch authorities to continue their firm monetary policy aimed at maintaining the favourable situation regarding inflation, interest rates and the exchange rate. It also observed that adequate structural measures will be taken to promote participation in the labour market. The reform of the social security system, the creation of more competitive product and labour markets, and higher investment share in public expenditure are all prerequisites for generating additional employment from the expected growth in the coming years.

The Council supported the plans for improving the Dutch fiscal position and noted that the targeted yearly reduction of real government expenditures by 0.7% on average is a considerable effort. It appreciated that budgetary plans are based on cautious macroeconomic assumptions, and particularly welcomed the commitment of the Dutch Government to safeguard the planned savings with compensating measures if this were necessary to comply with the expenditure ceilings of the programme.

The Council considered these budgetary efforts as sufficient to reduce the general government deficit below the 3% threshold in 1996. However, it noted that the objectives for the government debt ratio could have been more ambitious. To ensure a continuing decline of the debt ratio in 1995 and the years thereafter, which should receive priority given the positive position of the Netherlands regarding the remaining convergence criteria, the additional budgetary room coming from growth stronger than assumed in the cautious scenario should be used primarily to reduce the debt ratio.'

**1.2.4. Parliament resolution on the recommendations of the Council to the Member States on excessive public deficits.**

**Reference:** Council recommendations with a view to bringing an end to the situation of an excessive public deficit in Belgium, Denmark, Germany, Greece, Spain, France, Italy, the Netherlands, Portugal and the United Kingdom: Bull. 11-1994, point 1.2.11

*Adopted by Parliament on 13 December.* Parliament finds that the secrecy provisions in Article 104c of the EC Treaty are not viable and considers it essential that both the European Parliament and national parliaments should have the opportunity for timely discussion of recommendations

which potentially affect the whole direction of economic policy. It therefore calls on the Commission and the Council to accept an interim interinstitutional procedure pending the 1996 Intergovernmental Conference.

OJ C 18, 23.1.1995

### *Wider use of the ecu*

**1.2.5. Council Regulation (EC) No 3320/94 on the consolidation of the existing Community legislation on the definition of the ecu following the entry into force of the Treaty on European Union.**

**Regulation repealed:** Council Regulation (EEC) No 3180/78 changing the value of the unit of account used by the European Monetary Cooperation Fund (OJ L 379, 30.12.1978), as amended by Regulation (EEC) No 1971/89: OJ L 189, 4.7.1989

**Regulations and Decisions consolidated:**

Commission Decision No 3289/75/ECSC on the definition and conversion of the unit of account to be used in decisions, recommendations, opinions and communications for the purposes of the Treaty establishing the European Coal and Steel Community (OJ L 327, 19.12.1975), as amended by Commission Decision No 3334/80/ECSC: OJ L 349, 23.12.1980

Decision of the Board of Governors of the European Investment Bank in connection with the adoption of a new definition of the Bank's unit of account: OJ L 199, 24.7.1978

Council Regulation (EEC) No 3181/78 relating to the European Monetary System (OJ L 379, 30.12.1978), as amended by Regulation (EEC) No 3066/85: OJ L 290, 1.11.1985

Council Regulation (EEC, Euratom) No 3308/80 on the replacement of the European unit of account by the ecu in Community legal instruments: OJ L 345, 20.12.1980

Decision of the Board of Governors of the European Investment Bank amending the Statute of the European Investment Bank with respect to adoption of the ecu as the Bank's unit of account: OJ L 311, 30.10.1981

Council Regulation (EEC) No 3813/92 on the unit of account and the conversion rates to be applied for the purposes of the common agricultural policy: OJ L 387, 31.12.1992; Bull. 12-1992, point 1.3.209

Commission Regulation (EEC) No 1068/93 on detailed rules for determining and applying the agricultural conversion rates: OJ L 108, 1.5.1993

**Commission proposal:** COM(94) 140; Bull. 4-1994, point 1.2.5

**Parliament opinion:** OJ C 305, 31.10.1994; Bull. 9-1994, point 1.2.14

*Adopted by the Council on 22 December.* The purpose is to consolidate the existing rules on the ecu in order to replace them by a single definition of the ecu compatible with Article 109g of the EC Treaty and to clarify and simplify Community legislation.

OJ L 350, 31.12.1994

## Economic situation

### 1.2.6. 1995 Annual Economic Report.

#### References:

Commission White Paper entitled 'Growth, competitiveness, employment: The challenges and ways forward into the 21st century': COM (93) 700; Bull. 12-1993, point 1.2.44; Supplement 6/93 — Bull.

Council Recommendation 94/7/EC on the broad guidelines of the economic policies of the Member States and of the Community: OJ L 7, 11.1.1994; Bull. 12-1993, points 1.2.45 and 2.2.1

Council Recommendation 94/480/EC on the broad guidelines of the economic policies of the Member States and of the Community: OJ L 200, 3.8.1994; Bull. 7/8-1994, points 1.2.2 and 2.2.1

**Previous report:** COM(94) 90; Bull. 3-1994, point 1.2.7

*Adopted by the Commission on 13 December.* In this report, the Commission presents economic forecasts which are distinctly more favourable than those contained in its previous report, published in March. The stronger-than-anticipated rise in output and exports suggest that investment will expand vigorously in 1995 and 1996, creating favourable conditions for the resumption of the catching-up process in the less-favoured countries and regions.

However, this recovery will probably permit no more than a modest reduction in unemployment, which will still be just below 10% in 1996. If growth is to bring down the level of unemployment significantly and if economic convergence is to be achieved, the Commission states that it is necessary to make the Community more competitive and dynamic, to implement policies aimed at improving the functioning of the labour market, to create the conditions for an increase in the productive capacity of the economy and to maintain a stable macroeconomic framework, in particular through the reabsorption of the high budget deficits. These objectives could be

attained by applying the measures and policies set out in the Commission White Paper on growth, competitiveness and employment, and in the broad economic policy guidelines for 1993 and 1994 adopted by the Council, and by continuing with the policies of reducing public deficits. Provided that these measures are speedily and assiduously implemented, it is reasonable to expect a growth path of between 3% and 3.5% in the second half of the 1990s, which would make it possible to bring the unemployment rate down to 7% of the civilian labour force in the year 2000. The Community would also be on track to enter stage III of EMU according to the timetable indicated in the Treaty.

COM(94) 615

## Internal market

1.2.7. The European Council stressed the need to achieve uniform and effective application of the internal market rules (→ point 1.8).

## Free movement of goods

### Technical aspects

#### Motor vehicles

1.2.8. Proposal for a Parliament and Council Directive concerning the maximum design speed, maximum torque and maximum net engine power of two- or three-wheel motor vehicles.

**Commission proposal:** OJ C 93, 13.4.1992; COM(91) 497; Bull. 1/2-1992, point 1.3.30

**Economic and Social Committee opinion:** OJ C 313, 30.11.1992; Bull. 9-1992, point 1.2.17

**Parliament opinion (first reading):** OJ C 72, 15.3.1993; Bull. 1/2-1993, point 1.2.2

**Council common position:** Bull. 6-1993, point 1.2.7

**Parliament opinion (second reading):** OJ C 315, 22.11.1993; Bull. 10-1993, point 1.2.5

**Proposal subject to the co-decision procedure since 1 November 1993**

**Parliament declaration of intention to reject the common position:** OJ C 61, 28.2.1994; Bull. 1/2-1994, point 1.2.9

**Conciliation Committee meeting:** Bull. 3-1994, point 1.2.10

**Parliament amendments (second reading):** OJ C 205, 25.7.1994; Bull. 5-1994, point 1.2.10

**Commission opinion:** COM(94) 321; Bull. 7/8-1994, point 1.2.3

**Conciliation Committee meeting:** Bull. 10-1994, point 1.2.7

*Joint text approved by the Conciliation Committee on 13 December.* This text provides for the Commission to carry out within two years of the Directive being adopted a study of the link between the power of motor cycles and safety and for it to put forward any necessary amendments; Member States will remain free in the meantime to maintain or introduce provisions prohibiting the registration of vehicles with an engine power in excess of 74 kw.

*Approved by the Council on 22 December.*

**1.2.9.** Proposal for a Parliament and Council Directive on the approximation of the laws of the Member States relating to the burning behaviour of materials used in interior construction of certain categories of motor vehicles.

**Commission proposal:** OJ C 154, 19.6.1992; COM(92) 201; Bull. 5-1992, point 1.1.15

**Economic and Social Committee opinion:** OJ C 332, 16.12.1992; Bull. 10-1992, point 1.3.27

**Parliament opinion (first reading):** OJ C 305, 23.11.1992; Bull. 10-1992, point 1.3.27

**Proposal subject to the co-decision procedure since 1 November 1993.**

*Common position adopted by the Council on 8 December.* The aim of the proposal is to lay down minimum requirements for the materials used in the interior construction of buses and coaches carrying more than 22 passengers, with the exception of those designed to carry standing passengers or for urban use, in order to increase the safety of occupants in the event of fire.

**1.2.10.** Proposal for a Parliament and Council Directive relating to the side-impact resistance of motor vehicles and amending Directive 70/156/EEC on the type-approval of motor vehicles and their trailers.

**Directive to be amended:** Council Directive 70/156/EEC (OJ L 42, 23.3.1970), as last amended by Directive 93/81/EEC: OJ L 264, 23.10.1993

*Adopted by the Commission on 13 December.* This proposal is aimed at reducing the number of people killed or seriously injured in road acci-

dents through the introduction of new standards for the lateral-impact resistance of passenger cars.

COM(94) 519

**1.2.11.** Proposal for a Parliament and Council Directive on the resistance of motor vehicles to frontal collision and amending Directive 70/156/EEC on the type-approval of motor vehicles and their trailers.

**Directive to be amended:** Council Directive 70/156/EEC (OJ L 42, 23.3.1970), as last amended by Directive 93/81/EEC: OJ L 264, 23.10.1993

*Adopted by the Commission on 13 December.* This proposal is aimed at reducing the number of people killed or seriously injured in road accidents through the introduction of new standards for the frontal-impact resistance of passenger cars.

COM(94) 520

**1.2.12.** Proposal for a Parliament and Council Directive amending Directive 70/220/EEC on the approximation of the laws of the Member States relating to measures to be taken against air pollution from emissions from motor vehicles.

**Directive to be amended:** Council Directive 70/220/EEC (OJ L 76, 6.4.1970), as last amended by Directive 92/97/EEC: OJ L 371, 19.12.1992; Bull. 11-1992, point 1.3.28

*Adopted by the Commission on 16 December.* This proposal aims to apply to light commercial vehicles and vehicles treated as such the strict standards applicable to passenger cars.

COM(94) 558

**1.2.13.** Proposal for a Parliament and Council Directive amending Directive 88/77/EEC on the approximation of the laws of the Member States relating to the measures to be taken against the emission of gaseous and particulate pollutants from diesel engines for use in vehicles.

**Directive to be amended:** Council Directive 88/77/EEC (OJ L 36, 9.2.1988), as last amended by Directive 91/542/EEC: OJ L 295, 25.10.1991

*Adopted by the Commission on 16 December.* The aim of this proposal is to introduce a new limit on emissions of particulate pollutants for certain small diesel engines and a new method for checking conformity of production.

COM(94) 559



## Industrial products

**1.2.14.** Proposal for a Parliament and Council Directive on the approximation of the laws of the Member States relating to lifts.

**Commission proposal:** OJ C 62, 11.3.1992; COM(92) 35; Bull. 1/2-1992, point 1.3.19

**Economic and Social Committee opinion:** OJ C 287, 4.11.1992; Bull. 7/8-1992, point 1.3.22

**Parliament opinion (first reading):** OJ C 305, 23.11.1992; Bull. 10-1992, point 1.3.29

**Amended Commission proposal:** OJ C 180, 2.7.1993; COM(93) 240; Bull. 6-1993, point 1.2.9

**Proposal subject to the co-decision procedure since 1 November 1993**

**Council common position:** OJ C 232, 20.8.1994; Bull. 6-1994, point 1.2.18

**Parliament amendments (second reading):** OJ C 305, 31.10.1994; Bull. 9-1994, point 1.2.16

*Opinion incorporating an amended proposal adopted by the Commission on 2 December.* The amendments relate in particular to access for disabled persons to the greatest possible number of lift cars.

COM(94) 540

## Dangerous substances

**Basic Directive:** Council Directive 76/769/EEC on the approximation of the laws, regulations and administrative provisions of the Member States relating to restrictions on the marketing and use of certain dangerous substances and preparations (OJ L 147, 9.10.1976), as last amended by Directive 94/27/EEC: OJ L 188, 22.7.1994; Bull. 6-1994, point 1.2.22

**1.2.15.** Parliament and Council Directive 94/48/EC amending Directive 76/769/EEC for the 13th time.

**Commission proposal:** OJ C 306, 12.11.1993; COM(93) 499; Bull. 10-1993, point 1.2.9

**Proposal subject to the co-decision procedure since 1 November 1993**

**Parliament opinion (first reading):** OJ C 20, 24.1.1994; Bull. 12-1993, point 1.2.7

**Economic and Social Committee opinion:** OJ C 133, 16.5.1994; Bull. 1/2-1994, point 1.2.15

**Council common position:** OJ C 244, 31.8.1994; Bull. 6-1994, point 1.2.24

**Parliament approval (second reading):** OJ C 276, 3.10.1994; Bull. 9-1994, point 1.2.17

**Council approval:** Bull. 10-1994, point 1.2.8

*Signed by Parliament and the Council on 7 December.* The Directive extends the scope of

Directive 76/769/EEC to cover certain flammable substances in order to limit their use in aerosol generators used in a domestic environment for entertainment and decorative purposes.

OJ L 331, 21.12.1994

**1.2.16.** Parliament and Council Directive 94/60/EC amending Directive 76/769/EEC for the 14th time.

**Commission proposal:** OJ C 157, 24.6.1992; COM(92) 195; Bull. 5-1992, point 1.1.16

**Economic and Social Committee opinion:** OJ C 332, 16.12.1992; Bull. 10-1992, point 1.3.31

**Proposal subject to the co-decision procedure since 1 November 1993**

**Parliament opinion (first reading):** OJ C 44, 14.2.1994; Bull. 1/2-1994, point 1.2.14

**Amended Commission proposal:** OJ C 157, 8.6.1994; COM(94) 95; Bull. 3-1994, point 1.2.16

**Council common position:** OJ C 244, 31.8.1994; Bull. 6-1994, point 1.2.23

**Parliament approval (second reading):** OJ C 323, 21.11.1994; Bull. 10-1994, point 1.2.9

*Approved by the Council on 8 December.*

*Signed by Parliament and the Council on 20 December.* This Directive restricts the marketing and use of three types of substances and preparations that constitute a consumer health hazard: carcinogens, mutagens and substances toxic for reproduction; creosote and its derivatives; and chlorinated solvents. Creosote is used in the treatment of wood for external use; chlorinated solvents are used mainly as cleaning agents.

OJ L 365, 31.12.1994

**1.2.17.** Proposal for a Parliament and Council Directive amending Directive 76/769/EEC for the 16th time.

*Adopted by the Commission on 14 December.* The aim of this proposal is to add the dangerous substance hexachloroethane to Annex I to Directive 76/769/EEC and to prohibit its use in non-ferrous metals industries with a view to protecting the North Sea and the North Atlantic against the effects of pollution.

OJ C 382, 31.12.1994; COM(94) 570

## Foodstuffs

**1.2.18.** Parliament and Council Directive 94/52/EC amending for the second time Directive 88/344/EEC on the approximation of the laws of

the Member States on extraction solvents used in the production of foodstuffs and food ingredients.

**Directive amended:** Council Directive 88/344/EEC (OJ L 157, 24.6.1988; Bull. 6-1988, point 2.1.37), as last amended by Directive 92/115/EEC: OJ L 409, 31.12.1992; Bull. 6-1992, point 1.3.42

**Commission proposal:** OJ C 15, 18.1.1994; COM(93) 659; Bull. 12-1993, point 1.2.12

**Parliament opinion (first reading):** OJ C 61, 28.2.1994; Bull. 1/2-1994, point 1.2.17

**Economic and Social Committee opinion:** OJ C 133, 16.5.1994; Bull. 1/2-1994, point 1.2.17

**Council common position:** OJ C 172, 24.6.1994; Bull. 3-1994, point 1.2.22

**Parliament approval (second reading):** OJ C 276, 3.10.1994; Bull. 9-1994, point 1.2.18

**Council approval:** Bull. 11-1994, point 1.2.14

*Signed by Parliament and the Council on 7 December.* This Directive reinstates cyclohexane in the list of solvents authorized for the extraction of flavourings from natural flavouring materials for use in the production of foodstuffs in the light of additional scientific data received by the Scientific Committee for Food.

OJ L 331, 21.12.1994

**1.2.19.** Proposal for a Parliament and Council Directive on food additives other than colours and sweeteners.

**Commission proposal:** OJ C 206, 13.8.1992; COM(92) 255; Bull. 6-1992, point 1.3.22

**Economic and Social Committee opinion:** OJ C 108, 19.4.1993; Bull. 1/2-1993, point 1.2.12

**Parliament opinion (first reading):** OJ C 176, 28.6.1993; Bull. 5-1993, point 1.2.8

**Amended Commission proposal:** OJ C 189, 13.7.1993; COM(93) 290; Bull. 6-1993, point 1.2.16

**Proposal subject to the co-decision procedure since 1 November 1993**

**Council agreement on a common position:** Bull. 12-1993, point 1.2.13

**Council common position:** OJ C 172, 24.6.1994; Bull. 3-1994, point 1.2.21

**Parliament amendments (second reading):** OJ C 341, 5.12.1994; Bull. 11-1994, point 1.2.15

*Opinion incorporating an amended proposal adopted by the Commission on 1 December.*

COM(94) 563

*Approved by the Council on 15 December.* The aim of this proposal is, in incorporating Parliament's amendments, to draw up the list of addi-

tives other than colours and sweeteners that are authorized on the Community market and to lay down the conditions under which they may be used in foodstuffs, and in particular the maximum doses permitted. Parliament's amendments aimed at extending the list of foodstuffs that may contain certain additives and at restricting the number of additives for certain foodstuffs have been adopted.

**1.2.20.** Proposal for a Parliament and Council Directive amending Council Directive 89/398/EEC on the approximation of the laws of the Member States relating to foodstuffs intended for particular nutritional uses.

**Directive to be amended:** Council Directive 89/398/EEC: OJ L 186, 30.6.1989; Bull. 5-1989, point 2.1.23

*Adopted by the Commission on 16 December.* In order to permit the rapid marketing of dietary products which result from research and no longer satisfy the composition rules laid down by legislation, this proposal seeks to introduce a procedure by which the marketing of such products may be temporarily authorized for a period of two years until the legislation in question is amended.

COM(94) 600

## *Animal and plant health*

### **Animal health**

**1.2.21.** Council Decision 94/936/EC amending Decision 90/218/EEC concerning the placing on the market and administration of bovine somatotrophin (BST).

#### **References:**

Council Regulation (EEC) No 3950/92 establishing an additional levy in the milk and milk-products sector: OJ L 405, 31.12.1992; Bull. 12-1992, point 1.3.239

Commission communication concerning bovine somatotrophin: COM(93) 331; Bull. 7/8-1993, point 1.2.7

**Decision amended:** Council Decision 90/218/EEC (OJ L 116, 8.5.1990), as last amended by Decision 93/218/EEC: OJ L 333, 31.12.1993; Bull. 12-1993, point 1.2.22

**Commission proposal:** OJ C 3, 5.1.1994; COM(93) 605; Bull. 11-1993, point 1.2.12

**Parliament opinion:** OJ C 20, 24.1.1994; Bull. 12-1993, point 1.2.22

*Agreed by the Council on 12 December.*

*Formally adopted by the Council on 19 December.* This Decision, which stems from the same proposal as Decision 93/218/EEC, extends until 31 December 1999 the ban on the use and marketing of bovine somatotrophin (BST). Before 1 July 1998, the Commission will present a report to the Council on the limited practical trials which Member States may conduct in order to obtain the scientific data necessary for assessing the use of this product.

OJ L 366, 31.12.1994

**1.2.22.** Council Directive 94/71/EC amending Directive 92/46/EEC laying down the health rules for the production and placing on the market of raw milk, heat-treated milk and milk-based products.

**Directive amended:** Council Directive 92/46/EEC: OJ L 268, 14.9.1992; Bull. 6-1992, point 1.3.154

**Commission proposal:** COM(93) 715; Bull. 1/2-1994, point 1.2.24

*Adopted by the Council on 13 December.* This Directive makes technical amendments to the annexes to Directive 92/46/EEC in order to overcome the problems encountered by some Member States in applying Community rules. The amendments affect in particular the standards set for raw milk of goats, ewes and buffalo intended for the manufacture of milk products.

OJ L 368, 31.12.1994

**1.2.23.** Proposal for a Council Regulation on the certification of animals and animal products.

*Adopted by the Commission on 5 December.* This proposal aims to lay down strict rules regarding the certification required by legislation on veterinary checks in the Member State of dispatch and provides for the application of penalties in the event of misleading or false certification.

OJ C 373, 29.12.1994; COM(94) 561

**1.2.24.** Proposal for a Council Decision laying down the rules for the microbiological test by sampling of fresh poultrymeat intended for Finland and Sweden.

**Reference:** Council Directive 71/118/EEC on health problems affecting trade in fresh poultrymeat (OJ L 55, 8.3.1971), as last amended by the Act concerning the conditions of accession of

Norway, Austria, Finland and Sweden: OJ C 241, 29.8.1994; Bull. 6-1994, point 1.3.15

*Adopted by the Commission on 6 December.* The aim of this proposal is to lay down the sampling method, the number of samples to be taken and the microbiological method used for examining samples of fresh poultrymeat.

COM(94) 560

**1.2.25.** Proposal for a Council Decision laying down the rules for the microbiological test by sampling in the establishment of origin for poultry for slaughter intended for Finland and Sweden.

**Reference:** Council Directive 90/539/EEC on animal health conditions governing intra-Community trade in, and imports from third countries of, poultry and hatching eggs (OJ L 303, 31.10.1990; Bull. 10-1990, point 1.3.41), as amended by the Act concerning the conditions of accession of Norway, Austria, Finland and Sweden: OJ C 241, 29.8.1994; Bull. 6-1994, point 1.3.15

*Adopted by the Commission on 6 December.* The aim of this proposal is to lay down the sampling method, the number of samples to be taken and the microbiological method used for examining samples.

COM(94) 539

**1.2.26.** Council Directive 94/65/EC laying down the requirements for the production and placing on the market of minced meat and meat preparations.

**Directive amended:** Council Directive 88/657/EEC laying down the requirements for the production of, and trade in, minced meat, meat in pieces of less than 100 grammes and meat preparations and amending Directives 64/433/EEC, 71/118/EEC and 72/462/EEC (OJ L 382, 31.12.1988), as last amended by Directive 92/110/EEC: OJ L 394, 31.12.1992; Bull. 12-1992, point 1.3.213

**Commission proposal:** OJ C 84, 2.4.1990; COM (89) 671; Bull. 1/2-1990, point 1.1.229

**Economic and Social Committee opinion:** OJ C 225, 10.9.1990; Bull. 7/8-1990, point 1.3.216

**Parliament opinion:** OJ C 183, 15.7.1991; Bull. 6-1991, point 1.2.141

**Amended Commission proposal:** OJ C 288, 6.11.1991; COM(91) 374; Bull. 10-1991, point 1.2.115

*Adopted by the Council on 14 December.* This Directive, which stems from the same proposal

as Directive 92/110/EEC, extends to national production until 1 January 1996 the health rules laid down by Directive 88/657/EEC for intra-Community trade alone.

OJ L 368, 31.12.1994

*1.2.27.* Council Directive 94/64/EC amending the Annex to Directive 85/73/EEC on the financing of veterinary inspections and controls of animal products covered by Annex A to Directive 89/662/EEC and by Directive 90/675/EEC.

**Directive amended:** Council Directive 85/73/EEC (OJ L 32, 5.2.1985; Bull. 1/2-1985, point 2.1.45), as last amended by Directive 93/118/EC: OJ L 340, 31.12.1993; Bull. 12-1993, point 1.2.25

**Commission proposal:** COM(94) 346; Bull. 9-1994, point 1.2.20

*Adopted by the Council on 14 December.* This Directive extends to fishery products the system of health check fees laid down by Directive 93/118/EC regarding fresh meat and poultrymeat.

OJ L 368, 31.12.1994

## Plant health

*1.2.28.* Proposal for a Parliament and Council Regulation concerning the creation of a supplementary protection certificate for plant protection products.

**Reference:** Council Regulation (EEC) No 1768/92 of 18 June 1992 concerning the creation of a supplementary protection certificate for medicinal products: OJ L 182, 2.7.1992; Bull. 6-1992, point 1.3.28

*Adopted by the Commission on 9 December.* This proposal has a threefold objective:

- to contribute to the establishment of the internal market in plant protection products (insecticides, fungicides and herbicides);
- to prevent distortions of competition which could arise from current or potential differences in national measures;
- to remedy the continual erosion of patent protection of plant protection inventions and so guarantee the sector in question a sufficient period of effective protection to recover the very high costs of research and development and to finance research into new products.

Thanks to the creation of a new form of industrial property title (the supplementary protection

certificate) — a measure similar to that already adopted at Community level in 1992 for medicinal products — plant protection products will benefit from five years' additional protection after a patent has expired. Any plant protection invention will thus be for the exclusive commercial use of the inventor for up to 15 years from the date of the first authorization to market the product. Furthermore, the harmonization at Community level of the conditions for the award of the certificate and the method of calculation will mean that this exclusive commercial use will expire on the same date in all Member States.

The proposal also provides for transitional arrangements designed to extend the period of protection of some products already marketed.

COM(94) 579

## Free movement of persons

*1.2.29.* Proposal for a Parliament and Council Directive to facilitate practice of the profession of lawyer on a permanent basis in a Member State other than that in which the qualification was obtained.

**Reference:** Council Directive 89/48/EEC on a general system for the recognition of higher-education diplomas: OJ L 19, 24.1.1989; Bull. 12-1988, point 2.1.10

*Adopted by the Commission on 21 December.* The aim of this proposal is to make it easier for lawyers to practise their profession on a permanent basis in a Member State other than that in which they obtained their professional qualification by enabling them to practise initially and temporarily under their home-country professional title, in such a way as to enable them more easily to gain access to the profession in their host Member State. For a maximum period of five years, lawyers will be able to give advice on the law of the host Member State and to represent and defend clients in legal proceedings, if necessary working in conjunction with a lawyer who practises before the relevant judicial authority. They will also be able to give advice on the law of their home country and on international and Community law. They will be required to register with the competent authority in the host Member State and will be subject to that State's rules of professional conduct.

During or at the end of that transitional period, lawyers will be entitled:

- to gain automatic admission to the profession in the host Member State if they can show that they have actually practised in the law of the host Member State, including Community law, for an unbroken period of at least three years;
- to gain simplified admission to the profession in the host Member State, through an aptitude test limited to the procedural law and rules of professional conduct of the host Member State, if the actual and unbroken period of activity of at least three years has not involved the law of the host Member State, including Community law;
- even if they have not practised in the host Member State for three years, to gain admission to the profession in that country by submitting to the compensatory measures provided for under the general system for the recognition of qualifications.

It will also be possible for a lawyer to practice the profession on a joint basis, with other lawyers from his home Member State and/or other Member States, including the host State, in those Member States which permit such practice.

COM(94) 572

**1.2.30.** Proposal for a Parliament and Council Directive amending Directive 93/16/EEC to facilitate the free movement of doctors and the mutual recognition of their diplomas, certificates and other evidence of formal qualifications, and conferring implementing powers on the Commission for the updating of certain articles thereof.

**Directive to be amended:** Council Directive 93/16/EC: OJ L 165, 7.7.1993; Bull. 4-1993, point 1.2.20

*Adopted by the Commission on 16 December.* The aim of this proposal is to confer implementing powers on the Commission for the updating of certain articles of the Directive relating to specialist medical qualifications.

COM(94) 626

**1.2.31.** Commission communication on the recognition of qualifications for academic and professional purposes (→ point 1.2.224).

## Free movement of services

**1.2.32.** Proposal for a Parliament and Council Directive on investor compensation schemes.

**Reference:** Parliament and Council Directive 94/19/EC on deposit-guarantee schemes: OJ L 135, 31.5.1994; Bull. 5-1994, point 1.2.16

**Commission proposal:** OJ C 321, 27.11.1993; COM(93) 381; Bull. 9-1993, point 1.2.17

**Proposal subject to the co-decision procedure since 1 November 1993**

**Economic and Social Committee opinion:** OJ C 127, 7.5.1994; Bull. 1/2-1994, point 1.2.27

**Parliament opinion (first reading):** OJ C 128, 9.5.1994; Bull. 4-1994, point 1.2.36

**Economic and Social Committee opinion:** OJ C 169, 6.7.1992; Bull. 4-1992, point 1.3.23

**Parliament opinion (first reading):** OJ C 337, 21.12.1992; Bull. 11-1992, point 1.3.37

*Amended proposal adopted by the Commission on 13 December.* This proposal, which takes account of some Parliament amendments and some Economic and Social Committee comments, does not amend the previous proposal in substance but aligns some of its provisions on the corresponding provisions of Directive 94/19/EC on deposit-guarantee schemes.

OJ C 382, 31.12.1994; COM(94) 585

**1.2.33.** Proposal for a Parliament and Council Directive relating to the freedom of management and investment of funds held by institutions for retirement provision.

**Commission proposal:** OJ C 312, 3.12.1991; COM(91) 301; Bull. 10-1991, point 1.2.4

**Economic and Social Committee opinion:** OJ C 169, 6.7.1992; Bull. 4-1992, point 1.3.23

**Parliament opinion (first reading):** OJ C 337, 21.12.1992; Bull. 11-1992, point 1.3.37

**Amended Commission proposal:** OJ C 171, 22.6.1993; COM(93) 237; Bull. 5-1993, point 1.2.20

**Proposal subject to the co-decision procedure since 1 November 1993**

*Decision to withdraw the proposal taken by the Commission on 7 December.* This proposal for a Directive set out the conditions under which managers of pension funds would have been able to exercise their freedom to provide services within the Union and contained provisions designed to remove obstacles to cross-frontier investment by institutions for retirement provision. It has been withdrawn because of lack of agreement within the Council.

COM(94) 591

1.2.34. Commission communication on an internal market for pension funds: freedom of management and investment of funds held by institutions for retirement provision.

*Adopted by the Commission on 7 December.* The aim of this communication is to interpret the applicability to institutions for retirement provision of the Treaty rules on the free movement of services and capital in the single market in the light of the withdrawal of the proposal for a Directive relating to freedom of management and investment of funds held by institutions for retirement provision (→ point 1.2.33).

OJ C 360, 17.12.1994; COM(94) 591

## Taxation

### Indirect taxation

#### Value-added tax

**Basic Directive:** Sixth Council Directive (77/388/EEC) on the harmonization of the laws of the Member States relating to turnover taxes — Common system of value-added tax: uniform basis of assessment (OJ L 145, 13.6.1977), as last amended by Directive 94/5/EC: OJ L 60, 3.3.1994; Bull. 1/2-1994, point 1.2.31

1.2.35. Proposal for a Council Directive amending Directive 77/388/EEC and determining the scope of Article 14(1)(d) as regards exemption from value-added tax on the final importation of certain goods.

**Commission proposal:** OJ C 282, 8.10.1994; COM(94) 370; Bull. 9-1994, point 1.2.30

*Opinion adopted by the Economic and Social Committee on 21 December.* Subject to a number of reservations relating in particular to the extension of customs exemptions, the Committee endorsed the simplification of the existing legislation.

1.2.36. Report on the approximation of VAT rates in the Community.

*Adopted by the Commission on 13 December.* In this report, presented in accordance with the Sixth Directive, the Commission states that the new system for the approximation of VAT rates is generally functioning satisfactorily: the dis-

parities in VAT rates between neighbouring Member States have not led to any significant distortion of competition or deflection of trade. It notes, however, that the continued application of all the derogations granted to Member States, particularly those relating to extra-low rates and zero rates, has resulted in a plethora of different VAT rates being applied across the Community, with the risk of possible distortions in some sectors. This situation is at odds with the need for simplification of procedures and the reduction of tax compliance costs which are indispensable for the strengthening of the internal market. The Commission is therefore keen that Member States should themselves envisage taking steps in this field so as to reduce the overall number of rates applied and to facilitate discussions on the introduction of the definitive VAT system.

COM(94) 584

1.2.37. Proposal for a Council Directive amending Directive 77/388/EEC on the common system of value-added tax (taxation of agricultural outputs).

*Adopted by the Commission on 13 December.* The aim of this proposal is to extend temporarily to all Member States, as from 1 January 1995, the option of applying a reduced rate to supplies of living plants and other products of the floriculture sector and to firewood.

COM(94) 584

#### Excise duties

1.2.38. Council Directive 94/74/EC amending Directive 92/12/EEC on the general arrangements for products subject to excise duty and the holding, movement and monitoring of such products, Directive 92/81/EEC on the harmonization of the structures of excise duties on mineral oils and Directive 92/82/EEC on the approximation of the rates of excise duties on mineral oils.

##### Directives amended:

Council Directive 92/12/EEC (OJ L 76, 23.3.1992; Bull. 1/2-1992, point 1.3.9) and Council Directive 92/81/EEC (OJ L 316, 31.10.1992; Bull. 10-1992, point 1.3.13), as last amended by Directive 92/108/EEC: OJ L 390, 31.12.1992; Bull. 12-1992, point 1.3.21

Council Directive 92/82/EEC: OJ L 316, 31.10.1992; Bull. 10-1992, point 1.3.14

**Commission proposal:** OJ C 215, 5.8.1994; COM(94) 179; Bull. 6-1994, point 1.2.37

**Economic and Social Committee opinion:** Bull. 10-1994, point 1.2.17

*Endorsed by Parliament on 16 December, subject to technical amendments.*

*Adopted by the Council on 22 December.* This Directive simplifies and clarifies the common arrangements for the movement and monitoring of products subject to excise duty and the special arrangements applicable to mineral oils. It simplifies the administrative procedures connected with the implementation of those arrangements and clarifies the scope of the concept of mineral oil.

OJ L 365, 31.12.1994

## Intellectual property

*1.2.39.* Council Decision 94/828/EC on the extension of the legal protection of topographies of semiconductor products to persons from certain territories.

**Reference:** Council Directive 87/54/EEC on the legal protection of topographies of semiconductor products: OJ L 24, 27.1.1987; Bull. 12-1986, point 2.1.33

*Proposal adopted by the Commission on 7 December.*

COM(94) 574

*Adopted by the Council on 19 December.* This Decision extends until 31 December 1995 the legal protection of topographies of semiconductor products enjoyed by natural and legal persons from territories with a special link with the Netherlands and the United Kingdom, notably Hong Kong, the Channel Islands, the Isle of Man, Aruba and the Netherlands Antilles.

OJ L 351, 31.12.1994

*1.2.40.* Proposal for a Parliament and Council Regulation amending Council Regulation (EEC) No 1576/89 laying down general rules on the definition, description and presentation of spirit drinks and Council Regulation (EEC) No 1601/91 laying down general rules on the definition, description and presentation of aromatized wines, aromatized wine-based drinks and aromatized wine-product cocktails in the light of the results of the Uruguay Round of multilateral trade negotiations (→ point 1.2.158).

Bull. EU 12-1994

# Competition

## General rules

*1.2.41.* Draft Commission Directive amending Directive 90/388/EEC with a view to lifting restrictions on the use of cable television networks for the carriage of telecommunications services.

**Reference:** Commission Directive 94/46/EC amending Directive 88/301/EEC and Directive 90/388/EEC in particular with regard to satellite communications: OJ L 268, 19.10.1994; Bull. 10-1994, point 1.2.19

**Directive to be amended:** Commission Directive 90/388/EEC on competition in the markets for telecommunications services: OJ L 192, 24.7.1990

*Adopted on 21 December.* The draft, which will be submitted to the Member States, Parliament and other interested parties, seeks to enable new multimedia telecommunications services to be carried on cable networks throughout the European Union as from 1 January 1996. Liberalizing access to cable infrastructure should permit a lowering of costs and a significant increase in the amount of capacity available for new services. In addition, it should encourage use of state-of-the-art technology and make a significant contribution to the development of the information society advocated in the White Paper on growth, competitiveness and employment. The main aim of the measure is to lift the restrictions which currently prevent cable operators from carrying or providing any of the new interactive and multimedia services such as home shopping, home transaction packages, 'edu-tainment' and specialized, interactive on-line databases, mobile services and new applications such as home alarms and telemetry (distance meter reading). It would also introduce competition safeguards designed to prevent operators from using a dominant position in one market to impose predatory prices in another.

*1.2.42.* Twenty-third Report on Competition Policy (1993).

**Commission report:** COM(94) 161; Bull. 5-1994, point 1.2.21

*Endorsed by the Economic and Social Committee on 21 December.*

After stressing the importance of the Report, the Committee underscored the need for uniform application of Community law.

## Rules applying to businesses

### General rules

1.2.43. Commission notice updating the notice on agreements of minor importance.

**Reference:** Commission notice on agreements of minor importance: OJ C 231, 12.9.1986; Bull. 9-1986, point 2.1.51

*Adopted on 21 December.* The notice updates the 1986 notice on agreements of minor importance which do not fall under Article 85(1) of the EC Treaty by increasing from ECU 200 million to ECU 300 million the turnover threshold below which businesses may enjoy the advantages inherent in being covered by the notice.

1.2.44. Commission Decision on the terms of reference of hearing officers in competition procedures before the Commission.

**Reference:** Commission notice on the right to be heard in competition proceedings: Bull. 10-1994, point 1.2.22

*Adopted on 12 December.* The decision sets out, in the light of the notice adopted by the Commission in October, to define the role and terms of reference of the hearing officer.

1.2.45. Commission Regulation on the form, content and other details of applications and notifications provided for in Council Regulation No 17.

**Basic Regulation:** Council Regulation No 17, first Regulation implementing Articles 85 and 86 of the Treaty: OJ No 13, 21.2.1962

*Adopted on 21 December.* The purpose of the Regulation is to simplify, speed up and make more transparent administrative procedures in competition matters, and enable more speedy processing of applications and notifications concerning joint ventures and those concerning other agreements, decisions or practices which may fall within the scope of Articles 85 and 86 of the EC Treaty.

1.2.46. Commission Regulation on the notifications, time limits and hearings provided for in Council Regulation (EEC) No 4064/89 on the control of concentrations between undertakings, accompanied by four interpretative notices on the distinction between concentrative and coop-

erative joint ventures, the notion of concentration, the notion of undertakings concerned and the calculation of turnover.

**Reference:** Report from the Commission to the Council on the implementation of the Merger Regulation: COM(93) 385; Bull. 7/8-1993, point 1.2.37

**Basic Regulation:** Council Regulation (EEC) No 4064/89: OJ L 395, 30.12.1989 (corrected version: OJ L 257, 21.9.1990); Bull. 12-1989, point 2.1.78; Supplement 2/90 — Bull.

*Adopted on 21 December.* Following the commitment it gave in its 1993 report to increase the effectiveness and transparency of Regulation (EEC) No 4064/89, the Commission, by this new implementing Regulation, modifies procedures in three areas (the calculation of deadlines, material changes in facts relating to notifications, and the right of parties to be heard) and brings out a new version of Form 'CO' for the notification of mergers.

By the four interpretative notices, the Commission delimits more precisely the two types of joint venture; it defines more closely the scope of Regulation (EEC) No 4064/89 by focusing on the concepts of merger between independent undertakings and of acquisition of control, and on certain specific or exceptional situations where the Regulation is not applicable; it gives guidance on how to identify the undertakings concerned in the types of operation it has most often had to deal with so far; and, in relation to the calculation of turnover, it defines 'turnover', outlines the rules on the geographical allocation of turnover, and examines certain specific problems.

### Permissible forms of cooperation

#### Decision not to apply Article 85 of the EC Treaty

##### *International Private Satellite Partners*

1.2.47. Decision 94/895/EC of 15 December. The decision authorizes the formation of International Private Satellite Partners (IPSP), a joint venture set up between nine partner companies to provide international private business telecommunications services by satellite to businesses in Europe and North America.

The Commission considered that neither the provisions of Article 85(1) of the EC Treaty nor



those of Article 53(1) of the Agreement on the European Economic Area applied to the transaction. Not only will IPSP, the partners in which are mostly private-sector companies active in the telecommunications and aerospace fields, not restrict competition, but it will actually have a positive impact on it, firstly by competing with the big strategic alliances which are being established, as a rule between public operators, in the market for advanced telecommunications services, and secondly by providing a new, private alternative, in the market for satellite transmission capacity, to the international satellite organizations (such as Intelsat, Eutelsat and Inmarsat) and to national — generally publicly owned — systems.

The Commission found that a number of provisions in the partnership agreement, notably those which provide that IPSP will offer the partners the best prices, terms and other conditions that it offers to outsiders and that preference will be given to a limited number of partners in respect of certain calls for tenders issued by IPSP, are restraints necessary to the creation and successful operation of the joint venture. It also found that two other provisions, namely the granting to STET of the exclusive right to promote the sale of IPSP's services in Italy once telecommunications are fully liberalized, and the appointment of STET as exclusive agent of IPSP in Austria, will have little restrictive effect on competition given, in particular, the international dimension of IPSP's services, the size of potential customers and the small market share that IPSP is expected to achieve.

OJ L 354, 31.12.1994

### **Commission decisions under Article 85(3) of the EC Treaty**

#### *Eurotunnel*

*1.2.48. Decision 94/894/EC of 13 December.* The decision authorizes the agreement between Eurotunnel, the Channel Tunnel operator, and BR/SNCF, two railway companies capable of operating international train services.

The agreement, which has been concluded for 65 years, divides the Tunnel's capacity into two equal parts: half of the capacity is reserved for the operation of shuttle services, which so far have been operated only by Eurotunnel, and the

other half is reserved for the operation of passenger and goods trains between the United Kingdom and the Continent.

Under the agreement, BR and SNCF are therefore entitled throughout the term of the contract to 50% of the Tunnel's total capacity, or 100% of the capacity reserved for international trains, unless they agree to surrender part of their entitlement, any withholding of such agreement requiring justification.

In return, BR and SNCF undertake to operate the maximum number of passenger and goods trains in the Tunnel and to pay a portion of the costs incurred by Eurotunnel in connection with the operation, maintenance and renewal of the infrastructure. They further undertake to have, in France and the United Kingdom, modern railway infrastructure permitting the operation of trains, including high-speed trains, between the two countries.

The Commission considered that the division of the Tunnel's capacity between shuttles and trains, and the reservation of a large part of the hourly paths for BR/SNCF, has the effect of restricting competition. Yet the positive aspects of the agreement must also be taken into account. Construction of the Tunnel involves considerable investment, which will take a very long period to recover, and the commitments entered into by BR and SNCF contribute directly to the project's financial equilibrium, enabling it to be completed while at the same time representing important guarantees for the banks which are providing financing for the overall project. Moreover, the agreement permits, from the time the Tunnel is operational, the establishment of new transport services from which consumers will benefit directly.

The Commission accordingly found that the agreement is likely to promote economic progress and that it should be authorized, provided the restrictions of competition do not exceed that which is essential, and that other railway companies can operate services in competition with BR and SNCF. BR and SNCF having indicated to the Commission that they envisage, during the first twelve years, to use about 75% of the capacity reserved for international trains, the Commission made its exemption conditional on their leaving at the disposal of the managers of the infrastructure the hourly paths they do not

need, i.e. 25% of the Tunnel's capacity reserved for international trains. These percentages will be reviewed by the Commission at the end of the 12-year period. With regard to the other aspects, the Commission considered that, owing to the quite exceptional nature of the Channel Tunnel project, exemption could be granted for 30 years.

The constraints which the Treaty obliges the Commission to impose are aimed, on the one hand, at limiting the restrictions of competition to that which is strictly necessary, and, on the other, at ensuring the maintenance of a minimum amount of competition. The fact that only essential restrictions can be authorized means that precedence in the use of infrastructure can be granted only where the financing would not otherwise have been possible.

By this decision the Commission was seeking to adopt a pragmatic approach aimed at facilitating the construction of new European infrastructure which will contribute to the creation of a genuine frontier-free area.

OJ L 354, 31.12.1994

#### *Saint-Gobain/Asahi*

*1.2.49. Decision 94/896/EC of 16 December.* The decision authorizes a series of agreements between Saint-Gobain Vitrage International and Asahi Glass Company in the field of the joint research and development of bi-layer products aimed primarily at the automotive glass market.

The principal agreement concerns the setting-up of a joint venture to which are transferred all the patents and know-how already held in this field by the parent companies, and which will serve as exclusive worldwide licensor of bi-layer technology.

In reaching its decision, the Commission was particularly mindful of the benefits to be derived from technical cooperation between a Community firm and a Japanese firm with a head start in the field in question, including benefits to the consumer in terms of safety. Each party's knowledge largely complements the other's in the field of bi-layer technology. The cooperation will make it possible to place on the market more quickly a product deemed to ensure better protection for vehicle occupants thanks to its greater impact resistance and the lower risk of injury in the event of a collision.

The notified agreement originally provided that the cooperation was to last 30 years. However, owing to their strong position on the relevant market (over 30% of the world market for automotive safety glass), the Commission prevailed upon the parties to amend the agreement and granted them an exemption lasting five years from the date on which commercial production starts in the European Community, or until 7 December 2005, whichever is sooner.

OJ L 354, 31.12.1994

#### *Fujitsu AMD Semiconductor*

*1.2.50. Decision 94/823/EC of 13 December.* The decision authorizes the formation of a joint venture and five related agreements concluded by Fujitsu and Advanced Micro Devices (AMD) in the field of semiconductors.

The transaction involves an agreement setting up a joint venture, Fujitsu AMD Semiconductor, which will produce wafers for certain types of non-volatile memory, namely EPROMs (erasable programmable read-only memories) and flash memories with geometries of 0.5 micron or less. Five agreements relating to the formation of the joint venture were also notified to the Commission. They are: a technology cross-licensing agreement, a joint development agreement, a joint venture licensing agreement and two reciprocal investment agreements.

The Commission decision is partly a negative clearance and partly an individual exemption under Article 85(3) of the EC Treaty and Article 53(3) of the EEA Agreement. It concludes that the formation of the joint venture falls within the scope of Article 85(1) of the EC Treaty and Article 53(1) of the EEA Agreement because it has the effect of restricting competition between the parties, who are competitors in the market for NVMs. The territorial restriction included in the technology cross-licensing agreement, reserving for five years to Fujitsu the right to sell actively in the UK and Ireland and to AMD the right to sell actively in the rest of the EEA, is also caught by those articles.

The Commission considers, however, that these covenants come within the terms of Articles 85(3) and 53(3) and can be exempted because their restrictive effects are outweighed by, firstly, the dissemination of a new generation of semiconductor devices which will help promote

technical and economic progress by making possible the production of increasingly smaller, faster and more reliable electronic system products ranging from computers to portable telephones and voice mail, and secondly, the benefit that consumers will receive through lower-priced, higher performance, innovative products. The restrictions of competition are seen as indispensable to the attainment of these objectives, and the formation of the joint venture is considered essential if Fujitsu and AMD are to produce and market the products concerned successfully. Any lesser form of cooperation might provide insufficient protection for the parties, who face high risks when investing huge amounts of financial and technical resources in such a fast-moving market. As for the territorial restriction, the Commission notes that limiting for an initial period the parties' active sales territories to those where they already have an established infrastructure (Fujitsu is particularly active in the UK and Irish markets where it has manufacturing facilities, and AMD has a strong presence in the rest of Europe) will increase their chances of success in what is, in effect, a new product introduction, in that they will be able to offer customers faster deliveries, lower prices and a better after-sales service.

The exemption is granted for 10 years from 1993.

#### *Philips/Osram*

*1.2.51. Decision adopted on 21 December.* The decision authorizes Philips International BV and Osram GmbH (a subsidiary of Siemens AG) to set up a joint venture to manufacture and sell lead glass tubing components for incandescent and fluorescent lamps. The new company will occupy Philips' existing site at Lommel, Belgium, which is equipped to reduce the emissions inherent in lead glass production. Osram, for its part, has closed its Berlin works.

The Commission considers that the creation of the joint venture falls under Article 85(1) of the EC Treaty and Article 53(1) of the EEA agreement in that it eliminates potential competition from Osram as an independent producer of lead glass in the European Economic Area.

It also considers, however, that all the conditions for exemption laid down in Article 85(3) of the EC Treaty and Article 53(3) of the EEA agree-

ment are met. Besides helping to rationalize production, increase production capacity considerably and achieve quite substantial savings, the joint venture will concentrate on developing lead-free glass tubing. Consumers will benefit from a reduction both in the price of light bulbs and in air pollution. The deal is also beneficial to Osram given the cost of setting up a new facility, the overcapacity in the lead glass market and the maturity of the market for incandescent and fluorescent lamps in the European Economic Area. The joint venture will not affect competition either in the lead glass market or in that for light bulbs. The Commission has accordingly granted exemption for 10 years from the date of notification.

#### *Prohibited horizontal agreements*

##### **FEFC**

*1.2.52. Decision adopted on 21 December.* The decision prohibits members of the Far Eastern Freight Conference (FEFC) from setting common rates for the inland transport of containerized cargo, and imposes symbolic fines on them.

FEFC members provide a door-to-door, multimodal transport service made up of the following five elements: transport to the port of loading, port handling, sea transport, handling at the port of destination, and inland transport from the latter port to the place of final destination.

They argued that all their joint rate-setting practices, including those relating to inland transport services, were covered by the block exemption for liner conferences provided for in Regulation (EEC) No 4056/86.

The Commission decided that the FEFC rating agreement is not covered by the block exemption because the scope of Article 3 of the Regulation cannot be broader than that of the Regulation itself. Nor does it qualify for individual exemption because it does not satisfy the requirements of Article 85(3) of the EC Treaty.

The Commission rejected the FEFC's arguments on the following grounds:

□ an exemption for one activity (setting of common rates for sea transport) cannot in itself justify an exemption for all other revenue-producing activities;

□ apart from jointly fixing rates and conditions for inland transport, the FEFC does not itself organize directly or indirectly any inland transport activities;

□ only those FEFC members who organize joint operations involving inland transport services of benefit to consumers qualify for individual exemption under Article 85(3) in respect of the setting of common rates for the land-based leg of journeys;

□ other providers of inland transport services, who are not allowed to set their prices collectively, would be placed at a competitive disadvantage if conference members were able to do so.

The Commission imposed symbolic fines to mark the existence of the offence and the need for compliance with Community competition rules.

The decision does not prejudice the outcome of the examination of any subsequent applications for individual exemption.

### Tretorn

*1.2.53. Decision adopted on 21 December.* The decision imposes a fine of ECU 600 000 on Tretorn and fines of ECU 10 000 each on its distributors Formula Sport International (United Kingdom), Fabra (Italy), Zürcher (Switzerland) and Van Megen (Netherlands).

Following an on-the-spot investigation by Commission officials, it was found that between 1987 and 1989 Tretorn and its distributors had engaged in concerted action to prevent trade in Tretorn tennis balls between Member States. Several mechanisms were used: an export ban, systematic notification of cases of parallel importing, and, in order to prevent such importing, the suspension of deliveries to certain markets.

The general ban on exports and the barriers Tretorn placed in the way of parallel imports were not just the result of unilateral action on Tretorn's part: although they were not committed to paper, they formed an integral part of its distribution or sales agreements, or in any event were the outcome of a concerted practice on the part of Tretorn and its distributors. The immediate object and effect of this conduct was to restrict

competition, limit trade between Member States and partition the common market. It also enabled Tretorn and its distributors to follow a differentiated pricing policy.

In fixing the amount of the fines, the Commission took into account the fact that the infringement impeded the integration of the single market, which is one of the fundamental objectives of the Treaty. It therefore viewed the offending situation as a serious breach of Community law.

In the case of the distributors, the Commission made allowance for the fact that they were less to blame for the anti-competitive behaviour: though they were doubtless also pursuing their own interests, they had acted at Tretorn's behest.

## Mergers

### Commission decisions under the Merger Control Regulation

**Reference:** Council Regulation (EEC) No 4064/89 on the control of concentrations between undertakings: OJ L 395, 30.12.1989 (corrected version: OJ L 257, 21.9.1990); Bull. 12-1989, point 2.1.78; Supplement 2/90 — Bull.

#### *Thomson/Deutsche Aerospace*

*1.2.54. Adopted on 2 December.* The decision authorizes Thomson-CSF and Deutsche Aerospace AG (DASA) to set up two joint ventures.

Thomson-CSF and DASA will merge their armament activities into a 50-50 joint venture, Thomson DASA Armament, and their missile propulsion activities into another 50-50 joint venture, Bayern Chemie.

Thomson-CSF, a subsidiary of the French Thomson group, produces defence systems, mainly in France. DASA, a Daimler-Benz subsidiary, specializes in aerospace-related products and defence technology. Its principal market is Germany.

Although within the armaments and missile propulsion sectors Thomson and DASA overlap in the supply of particular products, their geographic markets are usually distinct. Where their activities overlap, the importance of transnational programmes in which suppliers from different Member States compete with one another

and the presence of several alternative suppliers to which the ultimate buyers, the Defence Ministries, can turn, led the Commission to conclude that the concentration will not create or strengthen a dominant position which would effectively impede competition.

#### *GEC/VSEL*

*1.2.55. Adopted on 7 December.* The decision authorizes General Electric Company plc (GEC) to acquire the non-military business of VSEL.

GEC made a takeover bid for VSEL, a British company whose main business is that of defence contractor, being engaged in particular in the production of, and research and development relating to, nuclear submarines, warships and weapons. The transaction has a Community dimension and is therefore caught by the Merger Regulation.

The United Kingdom, acting on the basis of Article 223(1)(b) of the EC Treaty, adopted a measure requiring GEC not to notify the military part of the transaction. After examining the information provided by the UK authorities, the Commission concluded that the measure complies with the relevant provisions of the Treaty and that there is no need in the present case to invoke the first paragraph of Article 225. The non-military business of VSEL is not large and relates primarily to equipment for the gas and oil industry and structural steelwork in general. VSEL's market shares in these industries are not significant and there is no overlapping with the other activities of GEC. The Commission therefore decided not to object to the non-military part of the transaction.

#### *Shell/Monteshell*

*1.2.56. Adopted on 16 December.* The decision authorizes the Royal Dutch/Shell group to acquire sole control of Monteshell.

In 1987, Shell Italia SpA, a member of the Royal Dutch/Shell group, and Edison SpA set up a 50-50 joint venture, Monteshell SpA. The principal business of Monteshell is the retail supply of automotive fuels, lubricants and liquefied petroleum gas in Italy. Shell Italia supplies lubricants, liquefied petroleum gas and related products at a wholesale level in Italy.

As a result of the transaction, Shell Italia acquires Edison's 50% of Monteshell, thereby terminating the joint venture. When combined, the market shares of Royal Dutch/Shell and Monteshell for the supply in Italy, which is the relevant geographic market, of lubricants and liquefied petroleum gas — the only products that they both supply — do not exceed 10%.

The Commission accordingly decided not to oppose the transaction.

#### *Thyssen Stahl/Krupp/Riva/Falck/Acciaiter*

*1.2.57. Adopted on 21 December.* The decision authorizes Krupp, Thyssen, Falck, Tadfina and Riva to acquire Acciai Speciali Terni SpA (AST).

As a result of the transaction, AST, which was set up to take over the special steel activities of the Ilva group as part of the latter's reorganization and privatization, will be jointly controlled by Krupp, Thyssen, Falck, Tadfina and Riva. This joint control is a concentration because, in each of the relevant markets, only one parent company is present at the same time as the joint venture in a non-marginal manner. Where this is not the case, the parent companies have already integrated their activities beforehand in a concentrative joint venture.

Four product markets were examined in depth in the light of the EC Treaty, following which the Commission approved the concentration unconditionally. In the case of cold-rolled stainless steel, the relevant geographic market is Western Europe (the EEA). In this market, the Commission considered that, despite the new entity's large market share, the transaction would not place it in a dominant position in view of the strength of competitors (Usinor, British Steel, Acerinox, Outokumpu and Arbed) with sizeable market shares, substantial and partially unused production capacity, considerable financial resources and research and development facilities. Similarly, any oligopolistic dominance was considered improbable in view of the parties' unequal market shares. In the case of grain-oriented electrical sheet, the Commission reaffirmed the finding it had made on 19 December 1988 under the ECSC Treaty to the effect that the geographic market is the world market. In this context, the new entity's market share is small. For non-grain-oriented electrical sheet, the relevant

geographic market is again Western Europe, or the EEA. Here, despite having a substantial market share, the new group will have to compete with British Steel and Usinor. What is more, demand is highly concentrated. Lastly, as regards the distribution of stainless steel products, the Commission considered that no competition problems were likely to arise in Italy, where the transaction will have a major impact, in view of the existence of independent stockholders and competitors with their own distribution networks.

On the same day, the Commission also approved the concentration under the ECSC Treaty.

#### *Viag/Sanofi*

*1.2.58. Adopted on 21 December.* The decision authorizes the acquisition by Viag of control of Sanofi's bio-industry activities (technical gelatins, texturizing agents, food additives, flavourings and perfumes). Prior to the transaction, Viag was active only in the food flavours sector. Following the transaction, its market share will remain well below 10%.

#### *Vox (II)*

**Previous decision:** Bull. 9-1994, point 1.2.40

*1.2.59. Adopted on 21 December.* The decision authorizes Canal + to acquire a stake in the German TV channel Vox.

Following the acquisition by News International of a 49.9% stake in Vox, which was approved by the Commission in September, the current transaction will give Canal + a 24.9% interest in the company, the other major shareholder being Bertelsmann with 24%. After the transaction has been completed, the three firms will have joint control of Vox.

Canal + is active in pay TV and in the production of television programmes and films. In Germany, Canal + has a stake only in Premiere, the country's sole pay TV channel. Vox's share of the free-access TV market in Germany is about 2% in terms of advertising revenue, and there will be no increase in Bertelsmann's market share as a result of the acquisition of the stake by Canal +. The transaction accordingly does not raise any serious doubts as to its compatibility with the common market.

#### *Bayer/Hoechst*

*1.2.60. Adopted on 21 December.* The decision authorizes a joint venture in the textile dyestuff sector.

Bayer and Hoechst, which are active in the chemical and pharmaceutical sectors, intend to transfer their entire textile dyestuff businesses on a worldwide basis to a jointly owned company named Hoechst Bayer Textilfarbstoffe GmbH & Co. KG, Wiesbaden. The sector concerned turns over some ECU 900 million in the EEA.

The Commission gave the transaction the go-ahead because, despite the large market share the joint venture will hold in some of the relevant dyestuff markets, the activities of Bayer and Hoechst will overlap only in the area of reactive textile dyestuffs. Moreover, other large European competitors and a number of 'non-traditional' producers — most of which are East Asian — are present in the market, and the various textile dyestuffs that are available are substitutable to some extent.

#### *Mannesmann Demag/Delaval Stork*

*1.2.61. Adopted on 21 December.* The decision authorizes Mannesmann Demag AG to acquire a 50% stake in Delaval Stork VOF.

Under the terms of the transaction, Mannesmann is to purchase the shares held by the US firm IMO, the remainder being held by Stork NV, a firm which is active mainly in Europe in various industrial sectors where there is no overlap with the activities of the joint venture.

The sector involved is that of the manufacture and servicing of gas compressors and steam turbines. The relevant market is that for gas compressors alone. Although the new entity will be a major player, it will face strong competition from a number of rivals who are well established both in Europe and elsewhere such as Nuovo Pignone, Sulzer, MAN, Atlas Copco and Dresser Rand. The transaction therefore does not raise any serious doubts as to its compatibility with the common market and with the functioning of the EEA Agreement.

#### *Elf Atochem/Shell Chimie*

*1.2.62. Adopted on 22 December.* The decision authorizes the setting-up of a joint venture

between Elf Atochem and Shell Chimie for the production and sale in Western Europe of PVC compounds intended for the manufacture of hollow mouldings the main use of which is as containers for liquids for human consumption.

The Commission analysed in depth the question of the concentrative nature of the joint venture in view of the presence of the two parent companies in both the upstream market for PVC resin and the neighbouring market for PET.

Since the transaction will result neither in an individual dominant position, despite a market share of approximately 40%, nor in a collective dominant position, the Commission held it to be compatible with the common market.

#### *Cable and Wireless/Schlumberger*

*1.2.63. Adopted on 22 December.* The decision authorizes the setting-up between Cable and Wireless plc and Schlumberger Ltd of a joint venture called Omnes in the telecommunication and related services sector.

Under the terms of the transaction, Cable and Wireless and Schlumberger are to set up a joint venture for the supply of telecommunication and related IT support services, initially to companies in the upstream oil and gas sector and later more widely.

Cable and Wireless provides telecommunication services. Schlumberger provides services in connection with oil and gas exploration. The service provided by Omnes will be the SINet system which Schlumberger currently uses as its internal telecommunication and IT support function. Since Schlumberger does not supply this service to other companies, the formation of the joint venture will not lead to any increase in market shares in the supply of the service. Even if Schlumberger were to supply SINet externally, the share held by Schlumberger and Cable and Wireless together of the global market for international telecommunication services, either to the upstream gas and oil sector or generally, would be insignificant.

The Commission accordingly decided to declare the transaction compatible with the common market.

## State aid

### *Shipbuilding*

*1.2.64.* Council Directive 94/73/EC amending Directive 90/684/EEC on aid to shipbuilding.

**Directive amended:** Seventh Council Directive 90/684/EEC on aid to shipbuilding (OJ L 380, 31.12.1990; Bull. 12-1990, point 1.3.64), as last amended by Council Directive 93/115/EC: OJ L 326, 28.12.1993; Bull. 12-1993, point 1.2.71

**Commission proposal:** OJ C 334, 30.11.1994; COM(94) 444; Bull. 10-1994, point 1.2.37

*Endorsed by Parliament on 16 December*, subject to a drafting amendment.

OJ C 18, 23.1.1995

*Endorsed by the Economic and Social Committee on 21 December.*

The Committee wondered, however, about the implications of the proposal for the evolution of competition policy in the years ahead.

*Adopted by the Council on 19 December.* The Directive extends the Seventh Directive for one year and authorizes Spain to pay its State-owned shipyards certain aid already approved but not yet disbursed on account of budgetary difficulties.

OJ L 351, 31.12.1994

*1.2.65.* Commission decision on the revision of the ceiling on production aid.

**Reference:** Seventh Council Directive 90/684/EEC on aid to shipbuilding (OJ L 380, 31.12.1990; Bull. 12-1990, point 1.3.64), as last amended by Council Directive 93/115/EC: OJ L 326, 28.12.1993; Bull. 12-1993, point 1.2.71

*Adopted by the Commission on 13 December.* Pursuant to Article 4(2) and (3) of the Seventh Directive, the Commission decided that, for 1995, the ceiling on production aid would be fixed at 9%, and at 4.5% for the construction of small vessels (i.e. with a value of less than ECU 10 million) and for ship conversion, the lower rate not applying in Greece's case if the vessels concerned are for domestic use.

### *Decisions to raise no objection*

#### Steel

**Reference:** Commission Decision No 3855/91/ECSC establishing Community rules for aid to the steel industry: OJ L 362, 31.12.1991; Bull. 11-1991, point 1.2.26

*Germany*

1.2.66. Commission decisions on aid for several firms located in the former German Democratic Republic.

*Adopted on 21 December.* The Commission decided not to object to the grant of regional investment aid to several steel firms in the new *Länder*, having established that the aid satisfied the conditions laid down in the steel aid code. In all the cases concerned, the assisted investment will not lead to an increase in production capacity. The following are the principal firms concerned:

- MCR Gesellschaft für metallurgisches Recycling mbH, which receives aid amounting to 28.84% gross of the investment cost (ECU 57 million);
- ESF (Elbe-Stahlwerk Feralpi) GmbH, which received aid in 1993 for investment valued at the time at ECU 44.2 million. As the investment has turned out to cost more than planned, i.e. ECU 70.7 million, additional aid has been authorized, taking total aid intensity to 34.5% gross of the investment cost;
- Eisenhüttenstadter Entwicklungsgesellschaft für Wertstoffgewinnung mbH, which receives aid amounting to 31% gross of the investment cost (ECU 16 million);
- Hennigsdorfer Elektrostahlwerke GmbH, which receives aid amounting to 18.28% gross of the investment costs (ECU 45.5 million);
- Brandenburger Elektrostahlwerke GmbH, which receives aid amounting to 18.93% gross of the investment cost;
- Sächsische Edelstahlwerke GmbH, which received aid in 1993 for investment valued at the time at ECU 108 million but now costing ECU 119.5 million. The total aid it receives amounts to 34.6% gross of the investment cost.

**Motor vehicles**

**Reference:** Community framework on State aid to the motor vehicle industry: OJ C 123, 18.5.1989

*Italy*

1.2.67. Commission decision on aid to SEVEL SpA for its factory at Val di Sangro (Abruzzi).

*Adopted on 21 December.* The Commission decided not to object to the grant of regional aid to SEVEL SpA, which is owned by Fiat, Peugeot and Citroën, for financing its investment project relating to the production of a new series of vans at its Val di Sangro plant in Abruzzi. The total cost of the project is LIT 1 617.8 billion (some ECU 819.8 million), of which LIT 1 180.4 billion (some ECU 598.2 million) are eligible for regional aid. The proposed aid will be given in the form of a grant of LIT 177 billion (about ECU 89.7 million) and interest relief amounting to a maximum of LIT 275 billion (about ECU 139.3 million). Although the aid is mainly justified on regional grounds (1 130 direct and at least as many indirect jobs will be created), it is also based on environmental considerations (LIT 7.8 billion) and the desire to introduce innovative industrial processes (LIT 20.4 billion).

The aid was authorized by the Commission since it complied with the rules on regional aid laid down in the framework on State aid to the motor industry and did not result in the creation of excess capacity at European level in the industry concerned.

**Environmental aid**

**Reference:** Community guidelines on State aid for environmental protection: OJ C 72, 10.3.1994; Bull. 12-1993, point 1.2.73

*Germany*

1.2.68. Commission decision on aid for the production of renewable energy from wood residues in Baden-Württemberg.

*Adopted on 13 December.* The Commission gave the go-ahead to a scheme for promoting the construction of installations burning wood residues to produce energy and heat and the establishment of district heating networks linked to such installations. The aid will take the form of a maximum grant of DM 600 000 (ECU 0.31 million); the aid intensity may not exceed 20% gross of the eligible cost, the latter being strictly limited to the purchase of installations using wood residues and the construction of heating networks. The aid may be combined with other aid up to 30% gross (40% in the case of SMEs). The scheme will apply from 1995 to 1997 and the proposed annual budget is DM 2 million (ECU 1.04 million).



### Netherlands

1.2.69. Commission decision on a scheme of aid for the reduction of noise nuisance (*Bijdragenbesluit openbare lichamen milieubeheer*).

**Reference:** Fifth European Community programme of policy and action in relation to the environment and sustainable development: COM (92) 23; Bull. 3-1992, point 1.2.115

*Adopted on 21 December.* The Commission authorized the application of a scheme of aid for combating noise nuisance from existing industrial sites by reducing the noise or transferring the sound source to another site provided that this results in a substantial reduction of the noise in question. The aid, which is reserved for the extra equipment needed to combat the noise, may not exceed 15% gross of the latter's cost (25% in the case of SMEs). The scheme will apply until 2002 and the total budget devoted to it will be HFL 71.5 million (ECU 33.3 million). The Commission concluded that the scheme was consistent with the fifth Community programme on the environment and with the guidelines on State aid for environmental protection.

### Portugal

1.2.70. Commission decision on the SIURE programme — a scheme of aid for energy saving and the use of renewable energy sources.

*Adopted on 21 December.* The SIURE programme is designed to promote energy saving and the use of renewable energy sources by making grants to firms taking part in projects that help to reduce energy consumption substantially. The aid, in the form of grants, is limited to a maximum of 50% gross of the costs of the project (60% in the case of pilot projects) and, where aid from other sources is also granted, the ceilings for regional aid apply. The scheme will apply until 1999 and the total budget is ECU 60 million, of which ECU 40 million are to come from the ERDF. The Commission authorized the scheme having taken into account its consistency with Community energy policy, the guidelines on State aid for environmental protection and the principles of coordination of regional aid systems.

### Research and development

**Reference:** Community framework for State aid for research and development: OJ C 83, 11.4.1986; Bull. 3-1986, points 1.1.1 to 1.1.6

### Germany

1.2.71. Commission decision on the aid scheme *Förderung von Innovationsvorhaben durch die Technologiestiftung Innovationszentrum Berlin*.

*Adopted on 14 December.* The Innovationszentrum Berlin, which is partly financed by the Berlin authorities, provides aid in the form of grants, low-interest loans and equity stakes in or guarantees for Berlin firms, persons or institutions carrying out research and development in the following fields: environment, biotechnology, communication, information, production, energy, medicine, lasers and optics, transport, new materials and services. The centre will have a total budget of DM 30 million for the period 1994-98. The aid complies with the ceilings laid down in the framework for State aid for research and development; the Commission authorized the scheme, having established that it complied with the framework.

1.2.72. Commission decisions on two aid schemes for research and development in Saxony.

*Adopted on 14 and 21 December.* The Commission authorized the application by Saxony of the two schemes *Förderung neuer bzw. neuartiger Produkte und Verfahren* and *Förderung von innovativen Verbundprojekten*. Both provide aid for firms with a maximum of 500 employees or research centres in order to stimulate research and development in leading technologies with a view to developing new products and new production techniques. The sole difference between the two schemes is that the second is reserved for projects carried out jointly by several industrial partners or research centres. The aid complies with the procedures and ceilings laid down in the framework for State aid for research and development. The proposed budgets for 1994, 1995 and 1996 are respectively DM 20, 37 and 38 million for the first scheme and DM 30, 33 and 33 million for the second.

*Decision to raise no objection to part of a measure and to initiate Article 93(2) proceedings against the other part*

### Germany

1.2.73. Commission decision on aid to Buna GmbH and Sächsische Olefinwerke GmbH (SOW), located respectively at Schkopau, Saxony-Anhalt and Böhlen, Saxony (chemicals).

*Adopted on 14 December.* SOW provides Buna with the raw materials (ethylene and propylene) it needs for its production of polymer products. Given the firms' location, Buna has no alternative source of supply for its raw materials. The aid in question consists, in SOW's case, of credit guarantees amounting to DM 261.7 million and loans amounting to DM 400.1 million. Of the total DM 661.8 million, DM 92.2 million is intended to ensure the firm's liquidity in 1994 and DM 569.6 million to finance investment. In Buna's case, the aid consists of credit guarantees for investment totalling DM 1 232,1 million and loans amounting to DM 276.8 million, of which DM 259.4 million are for ensuring the firm's liquidity. As regards investment aid, DM 40.2 million in SOW's case and DM 42.4 million in Buna's are for the investment necessitated by compliance with the safety and environmental protection standards imposed by the public authorities.

Since 1990, when a start was made on restructuring, Buna's workforce has shrunk from 18 100 to 4 600 and SOW's from 7 100 to 1 200. The German authorities have emphasized the need to grant aid to ensure the future of the whole chemical industry in the new *Länder*, whose main firms are Leuna 2000 (refining), SOW (raw materials) and Buna, Leuna GmbH and Chemie GmbH Bitterfeld (derived products). The purpose of the carefully designed restructuring plan for the privatization of the chemical industry in the former GDR is to create a new integrated company under the name of Buna Polymere GmbH, which will bring together SOW, Buna and the division of Leuna producing LDPE.

The Commission thinks it is necessary to examine the new company's viability prospects in detail and, to that end, to open Article 93(2) proceedings. Except for the investment aid associated with the safety and environmental protection constraints imposed by the public authorities, which it has authorized, it has therefore decided to initiate the said proceedings in respect of the proposed investment aid, i.e. a total of DM 1 118 million in Buna's case and DM 529.1 million in SOW's. It has also decided to authorize the aid intended to ensure the liquidity which the firms in question need to continue their activities while the proceedings are in progress.

## *Decisions to initiate proceedings under Article 93(2) of the EC Treaty*

### **Germany**

*1.2.74.* Commission decision on aid to a subsidiary of Siemens AG in Mainz.

**Reference:** Commission communication on regional aid systems: OJ C 31, 3.2.1979

*Adopted on 21 December.* In 1992, the municipality of Mainz sold an industrial site of 220.1 ares to Grundstückverwaltungsgesellschaft Fort Malakoff mbH & Co. KG, a subsidiary of Siemens AG/Siemens Nixdorf Informationssysteme AG. The Commission considers that the price paid by the firm is significantly less than the market value of the land and that the transaction could contain an element of State aid that is caught by Article 92 of the EC Treaty. It has therefore decided to initiate proceedings so as to examine the compatibility of this transaction with the common market.

### **Italy**

**Reference:** Commission decision on the aid provided for by Italian Law No 95/1979 (the 'Prodi Law'): point 1.2.80 of this Bulletin

*1.2.75.* Commission decision on the aid provided for by Italian Law No 80/1993 to firms obliged to repay aid declared incompatible with the common market by the Commission.

*Adopted on 14 December.* The Commission decided to initiate Article 93(2) proceedings in respect of the provisions of Italian Law No 80/1993 applying Law No 95/1979 (the 'Prodi Law'). Under these provisions, firms which have been made insolvent by the obligation to repay aid declared incompatible with the common market may have bankruptcy proceedings suspended and may be given a State guarantee in respect of the debt arising from that obligation. The Commission considers that these provisions are designed to thwart the arrangements for monitoring State aid laid down in Articles 92 and 93 of the EC Treaty and undermine its authority and its role as guardian of the Treaty. The task of vetting the compatibility of State aid with the common market, conferred on the

Commission by the EC Treaty and an integral part of the competition rules, would be frustrated if, when a firm is obliged to repay aid declared incompatible with the common market, the Member State concerned could decide to grant it fresh aid as compensation for the repayment.

### *Positive final decisions*

#### **Germany**

1.2.76. Commission decision on aid for EKO Stahl GmbH, Eisenhüttenstadt (Brandenburg).

**Other decision:** point 1.2.81 of this Bulletin

**Initiation of proceedings:** Bull. 7/8-1994, point 1.2.70.

*Adopted on 21 December.* The Commission authorized the grant of regional investment aid worth DM 385 million under Article 5 of the steel aid code and therefore terminated the proceedings which it had initiated.

#### **Luxembourg**

1.2.77. Commission decision on environmental protection aid for the steel company Profilarbed SA (Arbed).

**Reference:** Community guidelines on State aid for environmental protection: OJ C 72, 10.3.1994; Bull. 12-1993, point 1.2.73

**Initiation of proceedings:** Bull. 6-1994, point 1.2.71

*Adopted on 21 December.* The Commission had initiated proceedings in respect of a capital grant which the Luxembourg authorities planned to make to Profilarbed as environmental protection aid in connection with the construction, at the Esch-Schiffflange site, of an electric steelworks replacing the old LD-AC plant. The steel aid code authorizes environmental protection aid only for existing installations, not for new ones. During the proceedings the Luxembourg Government declared it was ready to limit the rate of aid to 15% of the expenditure eligible on environmental protection grounds and pointed out that the amount of aid requested was considerably less than could have been granted had the firm adapted the old plant instead of replacing them.

The Community guidelines on State aid for environmental protection provide that firms that

instead of simply adapting existing plant more than two years old opt to replace it by new plant meeting the new standards may receive aid in respect of that part of the investment costs that does not exceed the cost of adapting the old plant. The maximum rate authorized for the adaptation of existing plant to the new standards is 15% gross of eligible costs. Given that this general principle does not contradict the spirit or the letter of the steel aid code, and in order to ensure that steel and other firms have equal access to environmental protection aid, the Commission has decided to terminate the proceedings by authorizing the grant to Profilarbed of maximum aid of LFR 91.1 million, equivalent to 15% gross of the anticipated environmental protection costs.

### *Negative final decisions*

#### **United Kingdom**

1.2.78. Commission Decision on aid to the textile firm Carpets International (UK) plc (formerly Abingdon Carpets plc).

**Reference:** Community system of control of aid to the synthetic fibres industry: OJ C 346, 30.12.1992; Bull. 12-1992, points 1.3.73 and 1.3.74

**Initiation of proceedings:** Bull. 12-1993, point 1.2.88

*Adopted on 14 December.* In December 1993, the Commission initiated proceedings in respect of planned aid of UKL 750 000 to Abingdon Carpets, now Carpets International following its acquisition by Shaw Industries Inc, towards investment in a new polypropylene BCF yarn production plant. The code on aid to the synthetic fibres industry specifies that investment aid in the synthetic fibres sector may be authorized only if the recipient's overall production capacity is cut significantly. Since no reduction is planned in Carpets International's overall capacity which the new production capacity resulting from the investment for which the aid was notified would at least have to be offset by simultaneous capacity cuts in the group at EEA level, the Commission concluded that the aid was incompatible with the common market since it did not fulfil the conditions laid down by the code on aid to the synthetic fibres industry. It therefore terminated the proceedings and decided that the planned aid could not be granted.

## *Proposals for appropriate measures under Article 93(1) of the EC Treaty*

### **Germany**

1.2.79. Commission decision on aid to Carl Zeiss Jena GmbH, Thüringen.

**Previous decision:** Bull. 1/2-1993, point 1.2.78

*Adopted on 21 December.* In February 1993, the Commission approved the grant of DM 587 million in aid to Carl Zeiss Jena to support its restructuring. The aid was to be used to cover certain losses caused by temporary under-utilization and restructuring and to finance new investment. The restructuring plan included the transfer of funds, work and services from Carl Zeiss Oberkochen to Carl Zeiss Jena. Doubts exist about the use made of the aid and about the transfers carried out. Also, additional aid may have been granted to Carl Zeiss without being notified in advance. The Commission has therefore decided to invite the German Government to supply it within three months with all the information needed to clearly establish how the authorized aid has been used.

### **Italy**

1.2.80. Commission decision on the aid provided for by Italian Law No 95/1979 (the 'Prodi Law') for ailing large firms.

#### **References:**

Community guidelines on State aid for rescuing and restructuring firms in difficulty: Bull. 7/8-1994, point 1.2.42

Commission Decision on Italian Law No 80/1993: point 1.2.75 of this Bulletin

The Prodi Law, which came into force in 1979 and is designed to assist nearly bankrupt firms employing more than three hundred workers, provides in particular for the grant of a State guarantee for the debts of the firm concerned without the consideration normally payable on the market by the recipients of guarantees. The Commission has therefore decided that from now on all cases where the Prodi Law is applied will have to be notified to it beforehand so that it can check whether they are compatible with the common market.

## *Exemption from Community policy on aid to the steel industry (Article 95 of the ECSC Treaty)*

1.2.81. Commission Decision on aid to Eko Stahl GmbH, Eisenhüttenstadt (Brandenburg).

**Other decision:** point 1.2.76 of this Bulletin

**Commission proposal:** Bull. 10-1994, point 1.2.45

**Consultation of the ECSC Consultative Committee:** Bull. 11-1994, point 1.2.50

*Council assent No 32/94 given on 8 December.*  
OJ C 360, 17.12.1994

*Formally adopted by the Commission on 21 December.* The Commission approved the grant of aid worth DM 900.62 million. This is ECU 9.38 million less than the amount proposed by the Commission, on account of the reduction in the aid granted meanwhile by the German Government.

## **International cooperation**

### *OECD*

1.2.82. Agreement respecting normal competitive conditions in the commercial shipbuilding and repair industry.

**Commission proposal on the conclusion of the agreement:** COM(94) 460; Bull. 11-1994, point 1.2.57

*Decision concerning the conclusion of the Agreement adopted by the Council on 19 December.*

*The Agreement was signed in Paris on 21 December.* The Agreement, which is to enter into force on 1 January 1996, provides for the abolition of subsidies in the shipbuilding sector.

## **Industrial policy**

1.2.83. The European Council stressed that it would continue to devote particular attention to questions relating to the competitiveness of the European economy, and welcomed the Commission's plan to set up a high-level group to examine such questions (→ point I.8).

## **Individual industries**

### *Steel*

1.2.84. Draft forward programme for steel for the first half of 1995.

**Previous programme:** OJ C 210, 30.7.1994; Bull. 7/8-1994, point 1.2.74

*Adopted by the Commission (first reading) on 16 December.* The Commission notes that the rapid acceleration of economic activity in the Community in 1994 contributed to a substantial increase in domestic demand, and hence industrial production, which had previously been sustained only by exports. As all the cyclical indicators for 1995 confirm the trends seen in 1994, the situation on the steel market should be even better in the coming year.

Real steel consumption in the Community of Twelve in the first half of 1995 is forecast at 63.5 million tonnes, an increase of 4% over the first half of 1994. Imports are expected to increase by about 6.6% and exports to fall by about 8.8%. When the data for the new Member States are added, total production of 77.35 million tonnes for the enlarged Community is expected in the first half of 1995.

For the year as a whole, real steel consumption in the Community of Twelve is forecast at 123.5 million tonnes, an increase of 3.7% compared with 1994. The external steel trade surplus is expected to fall by 10.5%, following a 4.2% fall in exports and an increase of about 3.7% in imports. For 1995 as a whole, taking account of the data for the new Member States, the forecast for total production for the enlarged Community is 152.75 million tonnes.

*Endorsed by the ECSC Consultative Committee on 16 December.*

1.2.85. ECSC Consultative Committee resolution concerning appropriate monitoring of the steel market.

**References:**

Commission communication to the Council and to Parliament entitled 'Restructuring the Community steel industry: final assessment and conclusions': COM(94) 466; Bull. 10-1994, point 1.2.49

Council conclusions on restructuring of the steel industry in the Community: Bull. 11-1994, point 1.2.59

*Adopted by the ECSC Consultative Committee on 16 December.*

Taking note of the Commission communication on restructuring the steel industry and on the basis of the November Council conclusions, the Committee invites the Commission — in cooperation with all parties involved in the Commu-

nity steel market — to draw up quarterly forecasts for production and deliveries of steel, broken down by product.

## Enterprise policy

1.2.86. The European Council stressed the need to remove legal and bureaucratic obstacles in the way of small and medium-sized enterprises (→ point I.8).

### Small and medium-sized businesses

1.2.87. Commission recommendation to the Member States on the transfer of small and medium-sized enterprises.

**References:**

Commission communication on the implementation of an integrated programme in support of enterprises (SMEs) and the craft sector: COM (94) 207; Bull. 6-1994, point 1.2.79

Commission communication on the transfer of enterprises: Bull. 6-1994, point 1.2.80

*Adopted by the Commission on 7 December.* The recommendation, part of the integrated programme in support of enterprises (SMEs) and the craft sector, is a follow-up to the large-scale consultation launched by the Commission on the policies set out in its June communication. In it the Commission presents the best practices employed by the Member States with regard to the transfer of businesses and recommends their transposition into the domestic law of such Member States as do not yet have comparable provisions.

The aim of the recommendation is to facilitate the transfer of businesses, particularly SMEs, in order to ensure their survival and safeguard the jobs which depend upon them. To this end, the Commission recommends that Member States:

- encourage initiatives aimed at increasing the awareness, information and training of businessmen;
- create a financial environment conducive to successful transfer;

- enable businessmen to adopt the most appropriate legal form for successful transfer, particularly that of the public limited company, by removing legal and fiscal obstacles;
- provide for the continuity of partnerships on the death of a partner;
- provide for the partnership agreement to take precedence over unilateral acts by one of the partners;
- ensure that family law, inheritance law and compensation payments do not jeopardize the survival of the business;
- relax the taxation of assets in the event of transfer by succession or donation, provided that the heirs keep the business running;
- provide for the staggered or deferred payment of gift or inheritance tax;
- ensure that the assessment of the taxable value of a business takes into account any changes in the value following the death of the entrepreneur;
- encourage owners, through taxation measures, to transfer their businesses by sale or by transfer to the employees.

1.2.88. Commission communication to the Council and the European Parliament on the improvement of the fiscal environment of small and medium-sized enterprises.

**Commission communication:** COM(94) 206; Bull. 5-1994, point 1.2.46

**Parliament opinion:** OJ C 323, 21.11.1994; Bull. 10-1994, point 1.2.55

*Endorsed by the Economic and Social Committee on 21 December.*

The Committee stressed the need to improve the tax treatment of the reinvested profits of SMEs and the need for information to be exchanged between Member States on the double taxation of income.

## Tourism

1.2.89. Parliament resolution on the report from the Commission on Community measures affecting tourism.

**References:**

Commission report: COM(94) 74; Bull. 4-1994, point 1.2.67

Parliament resolution on tourism in the approach to the year 2000: OJ C 44, 14.2.1994; Bull. 1/2-1994, point 1.2.78

*Adopted by Parliament on 15 December.* Parliament stresses the importance of tourism as a factor in development, job creation, competitiveness and social cohesion, the need to coordinate tourism initiatives with measures adopted under other Community policies and the importance of environmental impact assessments, and calls for a European Tourism Agency to be set up and for other forms of tourism (urban, cultural, rural etc.) to be developed. It congratulates the Commission on the forthcoming publication of the Green Paper on tourism and advocates a series of specific measures such as the introduction of a European tourism label, access to tourism infrastructures for disabled or elderly persons and the promotion of youth and social tourism.

OJ C 18, 23.1.1995

## Research and technology

### Framework programme 1994-98

#### *Specific programmes*

**References:**

European Parliament and Council Decision 94/1110/EC concerning the fourth framework programme of European Community activities in the field of research, technological development and demonstration (1994-98): OJ L 126, 18.5.1994; Bull. 4-1994, point 1.2.69

Council Decision 94/268/Euratom concurring a framework programme of Community activities in the field of research and training for the European Atomic Energy Community (1994-98): OJ L 115, 6.5.1994; Bull. 4-1994, point 1.2.70

1.2.90. The Council formally adopted the last 11 specific programmes designed to implement the research framework programmes (→ points 1.2.91 to 1.2.101). The general objectives of the 20 specific programmes adopted are more effective coordination and rationalization of research efforts in Europe, better exploitation of results, increased participation of SMEs, and greater R&TD input into other European Union policies.

**1.2.91.** Council Decision 94/914/EC adopting a specific programme for research and technological development, including demonstration, in the field of transport (1994-98).

**Commission proposal:** OJ C 228, 17.8.1994; COM(94) 68; Bull. 3-1994, point 1.2.69

**Economic and Social Committee opinion:** Bull. 9-1994, point 1.2.86

**Parliament opinion:** OJ C 341, 5.12.1994; Bull. 11-1994, point 1.2.75

*Agreed by the Council on 1 December.*

*Formally adopted by the Council on 15 December.* This specific programme is designed in particular to improve the efficiency of the individual modes of transport and contribute to the optimization of trans-European transport networks. It has been allocated a budget of ECU 240 million.

OJ L 361, 31.12.1994

**1.2.92.** Council Decision 94/912/EC adopting a specific programme for research and technological development, including demonstration, in the field of biotechnology (1994-98).

**Commission proposal:** OJ C 228, 17.8.1994; COM(94) 68; Bull. 3-1994, point 1.2.69

**Economic and Social Committee opinion:** Bull. 9-1994, point 1.2.82

**Parliament opinion:** OJ C 341, 5.12.1994; Bull. 11-1994, point 1.2.74

*Agreed by the Council on 1 December.*

*Formally adopted by the Council on 15 December.* This specific programme is designed in particular to ensure a strong and innovative science base, a multidisciplinary approach to biotechnology-based processes, and the harmonious application of bioprocesses as beneficial alternatives to promote the environment, human health and welfare. It has been allocated a budget of ECU 552 million.

OJ L 361, 31.12.1994

**1.2.93.** Council Decision 94/915/EC adopting a specific programme for research and technological development, including demonstration, in the field of targeted socioeconomic research (1994-98).

**Commission proposal:** OJ C 228, 17.8.1994; COM(94) 68; Bull. 3-1994, point 1.2.69

**Parliament opinion:** OJ C 205, 25.7.1994; Bull. 5-1994, points 1.2.53 and 1.2.62

**Amended Commission proposal:** OJ C 262, 20.9.1994; COM(94) 243; Bull. 6-1994, point 1.2.95

**Economic and Social Committee opinion:** Bull. 9-1994, point 1.2.87

*Agreed by the Council on 1 December.*

*Formally adopted by the Council on 15 December.* This specific programme is designed to help clarify decision-taking in order to lay the foundations for the sustainable development of Europe's economies to enable them to withstand international competition and create jobs. It has been allocated a budget of ECU 105 million.

OJ L 361, 31.12.1994

**1.2.94.** Council Decision 94/917/EC adopting a specific programme for the dissemination and optimization of the results of activities in the field of research and technological development, including demonstration (1994-98).

**Commission proposal:** OJ C 228, 17.8.1994; COM(94) 68; Bull. 3-1994, point 1.2.69

**Economic and Social Committee opinion:** Bull. 9-1994, point 1.2.89

**Parliament opinion:** OJ C 341, 5.12.1994; Bull. 11-1994, point 1.2.76

*Agreed by the Council on 1 December.*

*Formally adopted by the Council on 15 December.* This specific programme is designed in particular to ensure the widest possible dissemination of the results of R&TD activities, optimize their exploitation, and promote the transfer of technology, particularly to SMEs. It has been allocated a budget of ECU 293 million.

OJ L 361, 31.12.1994

**1.2.95.** Council Decision 94/916/EC adopting a specific programme for research and technological development, including demonstration, in the field of training and mobility of researchers (1994-98).

**Commission proposal:** OJ C 228, 17.8.1994; COM(94) 68; Bull. 3-1994, point 1.2.69

**Parliament opinion:** OJ C 205, 25.7.1994; Bull. 5-1994, points 1.2.53 and 1.2.64

**Amended Commission proposal:** OJ C 262, 20.9.1994; COM(94) 243; Bull. 6-1994, point 1.2.97

**Economic and Social Committee opinion:** Bull. 9-1994, point 1.2.90

*Agreed by the Council on 1 December.*

*Formally adopted by the Council on 15 December.* This specific programme is designed in par-

ticular to stimulate training through research, improve the mobility of researchers, facilitate the access of all European researchers to existing large-scale facilities, and improve the Community's scientific and technological cohesion. It has been allocated a budget of ECU 774 million.

OJ 361, 31.12.1994

*1.2.96.* Council Decision 94/911/EC adopting a specific programme for research and technological development, including demonstration, in the field of environment and climate (1994-98).

**Commission proposal:** OJ C 228, 17.8.1994; COM(94) 68; Bull. 3-1994, point 1.2.69

**Economic and Social Committee opinion:** Bull. 9-1994, point 1.2.80

**Parliament opinion:** OJ C 341, 5.12.1994; Bull. 11-1994, point 1.2.72

*Agreed by the Council on 1 December.*

*Formally adopted by the Council on 15 December.* This specific programme is designed in particular to help strengthen the scientific base needed to implement the European Union's environment policy, and define a global Union strategy in this area. It has been allocated a budget of ECU 532 million.

OJ L 361, 31.12.1994

*1.2.97.* Council Decision 94/913/EC adopting a specific programme for research and technological development, including demonstration, in the field of biomedicine and health (1994-98)

**Commission proposal:** OJ C 228, 17.8.1994; COM(94) 68; Bull. 3-1994, point 1.2.69

**Economic and Social Committee opinion:** Bull. 9-1994, point 1.2.83

**Parliament opinion:** OJ C 341, 5.12.1994; Bull. 11-1994, point 1.2.73

*Agreed by the Council on 1 December.*

*Formally adopted by the Council on 15 December.* This specific programme is designed in particular to help improve the health of European citizens, combat disease, and support the health-care industry. It has been allocated a budget of ECU 336 million.

OJ L 361, 31.12.1994

*1.2.98.* Council Decision 94/918/EC adopting a specific programme for research and technological development, including demonstration,

to be carried out for the European Community by means of direct JRC activities and other activities, within the framework of a competitive approach, intended to provide specific scientific and technical support for Community policies (1995-98).

**Commission proposal:** OJ C 228, 17.8.1994; COM(94) 68; Bull. 3-1994, point 1.2.69

**Parliament opinion:** OJ C 205, 25.7.1994; Bull. 5-1994, points 1.2.53 and 1.2.65

**Amended Commission proposal:** OJ C 262, 20.9.1994; COM(94) 243; Bull. 6-1994, point 1.2.98

**Economic and Social Committee opinion:** Bull. 9-1994, point 1.2.91

*Agreed by the Council on 1 December.*

*Formally adopted by the Council on 15 December.* This programme essentially determines the work to be carried out by the Joint Research Centre over the next four years. It has been allocated a budget of ECU 600 million for direct JRC activities and ECU 128 million for support activities in the context of a competitive approach.

OJ L 361, 31.12.1994

*1.2.99.* Council Decision 94/920/Euratom adopting a specific programme for research and training in the field of nuclear fission safety (1994-98).

**Commission proposal:** OJ C 113, 23.4.1994; COM(94) 70; Bull. 3-1994, point 1.2.70

**Economic and Social Committee opinion:** Bull. 9-1994, point 1.2.93

**Parliament opinion:** OJ C 341, 5.12.1994; Bull. 11-1994, point 1.2.77

*Agreed by the Council on 1 December.*

*Formally adopted by the Council on 15 December.* This specific programme is designed in particular to explore ways of achieving greater acceptance for nuclear energy, prevent and improve understanding of reactor accidents, and carry out research into radiation protection. It has been allocated a budget of ECU 160 million.

OJ L 361, 31.12.1994

*1.2.100.* Council Decision 94/919/Euratom adopting a specific programme for research and technological development, including demonstration, to be implemented by the Joint Research Centre for the European Atomic Energy Community (1995-98).



**Commission proposal:** OJ C 113, 23.4.1994; COM(94) 70; Bull. 3-1994, point 1.2.70  
**Economic and Social Committee opinion:** Bull. 9-1994, point 1.2.92  
**Parliament opinion:** OJ C 341, 5.12.1994; Bull. 11-1994, point 1.2.79

*Agreed by the Council on 1 December.*

*Formally adopted by the Council on 15 December.* This programme sets out the work to be carried out by the JRC concerning nuclear fission safety and controlled thermonuclear fusion. It has been allocated a budget of ECU 300 million.

OJ L 361, 31.12.1994

**1.2.101.** Council Decision 94/799/Euratom adopting a specific programme for research and training in the field of controlled thermonuclear fusion (1994-98).

**Commission proposal:** OJ C 113, 23.4.1994; COM(94) 70; Bull. 3-1994, point 1.2.70  
**Economic and Social Committee opinion:** Bull. 9-1994, point 1.2.94  
**Parliament opinion:** OJ C 341, 5.12.1994; Bull. 11-1994, point 1.2.78

*Adopted by the Council on 8 December.*

OJ L 331, 21.12.1994

## Accompanying, promotion and support activities and other activities

**1.2.102.** Council conclusions on the future work of the Scientific and Technical Research Committee (CREST).

*Adopted by the Council on 1 December.* After noting that CREST, which was set up by a Council Resolution of 14 January 1974, has adapted its work to changing circumstances by concentrating on the growing demand for the definition of scientific and technological objectives of R & TD programmes, the Council considered in particular that the Committee's future role should be examined in the context of the development of Community R & TD policy and the improved coordination of national and Community research activities.

## International cooperation

### Canada

**1.2.103.** Draft Agreement for Scientific and Technological Cooperation between the European Community and Canada.

**Commission recommendation:** Bull. 12-1992, point 1.3.115  
**Negotiating directives:** Bull. 4-1993, point 1.2.69

*Recommendation for a Decision on the signing of the Agreement adopted by the Commission on 5 December.*

COM(94) 551

## Trans-European networks

**1.2.104.** Endorsing the main recommendations made by the Christophersen Group, the European Council confirmed the start-up of 14 priority transport projects and adopted a revised list of 10 priority energy projects. It also came out in favour of measures to improve the financing of trans-European networks.

(→ points I.6; I.35; I.37 and I.38).

## Telematics and telecommunications networks

**1.2.105.** Proposal for a European Parliament and Council Decision on a series of guidelines for the development of the integrated services digital network (ISDN) as a trans-European network.

**Commission proposal:** OJ C 259, 23.9.1993; COM(93) 347; Bull. 9-1993, point 1.2.66  
**Proposal subject to the co-decision procedure since 1 November 1993**  
**Economic and Social Committee opinion:** OJ C 52, 19.2.1994; Bull. 12-1993, point 1.2.118  
**Parliament opinion (first reading):** OJ C 128, 9.5.1994; Bull. 4-1994, point 1.2.77  
**Committee of the Regions opinion:** OJ C 217, 6.8.1994; Bull. 5-1994, point 1.2.74  
**Amended Commission proposal:** OJ C 353, 13.12.1994; COM(94) 483; Bull. 11-1994, point 1.2.87  
**Council agreement on a common position:** Bull. 11-1994, point 1.2.87

*Common position formally adopted by the Council on 21 December.*

## Energy

**1.2.106.** The European Council voiced its concern regarding nuclear smuggling and approved measures and guidelines to combat it. It called

on the Commission and Member States to step up their cooperation in this field and called on all States which have not yet done so to place their sensitive civilian materials (plutonium and highly enriched uranium) under international safeguards (→ point I.22).

## Community energy strategy

### *Promotion of energy technologies*

1.2.107. Commission Decision on the granting of financial support to a project for the promotion of energy technologies in the field of oil and gas.

**Basic Regulation:** Council Regulation (EEC) No 2008/90 on the promotion of energy technologies for Europe (Thermie programme): OJ L 185, 17.7.1990; Bull. 6-1990, point 1.3.256

*Adopted by the Commission on 21 December.* Purpose: to grant ECU 1.12 million, in the form of a non-repayable financial contribution, for a project for the promotion of energy technologies in the field of oil and gas.

### *Promotion of energy efficiency*

1.2.108. Proposal for a European Parliament and Council Directive on energy efficiency requirements for household electric refrigerators, freezers and their combinations.

**Reference:** Commission communication on a Community strategy to limit carbon dioxide emissions and to improve energy efficiency: COM(91) 249; Bull. 10-1991, point 1.2.194

*Adopted by the Commission on 7 December.* As part of the efforts to reduce CO<sub>2</sub> emissions to their 1990 levels by the year 2000, the Commission is proposing to regulate the electricity consumption of household refrigeration appliances, as they represent the greatest potential for savings. To this end, it is proposing a first set of energy efficiency standards designed to bring about an average improvement in efficiency of around 10% and significant savings for consumers. To give the industry time to adapt, the Commission is proposing that the Member States should apply the new provisions as from 1 January 2000. It is also proposing that a second set of more demanding energy efficiency standards

might be introduced on the basis of further study and consultations with interested parties.

COM(94) 521]

## Individual sectors

### *Solid fuels*

1.2.109. Commission report on the market for solid fuels in the Community in 1994 and the outlook for 1995.

**Reference:** Commission report on the market for solid fuels in the Community in 1993 and the outlook for 1994: Bull. 9-1994, point 1.2.107

*Adopted by the Commission on 14 December.* This preliminary report examines developments in prices and demand in the solid fuel sector and analyses the main data concerning production, imports and deliveries. It finds that internal hard coal deliveries in the Community could total 260.4 million tonnes in 1994, a 4.6% reduction on the previous year, and that production is likely to be 16.3% down as a result of restructuring efforts. The Commission expects the Community hard coal market to stabilize in 1995.

*ECSC Consultative Committee consulted on 16 December.* The Committee welcomed the fact that coal consumption had stabilized to some extent in the Community and that world prices had recovered, but deplored the steady increase in imports from third countries.

## Relations with third country energy producers or importers

### *European Energy Charter*

1.2.110. Treaty.

**Signature of the Charter:** Bull. 12-1991, point 1.2.114

**Agreement of the Contracting Parties on the draft Treaty:** Bull. 6-1994, point 1.2.107

**Commission proposal and draft concerning the signing and provisional application of the Treaty:** OJ C 344, 6.12.1994; COM(94) 405; Bull. 9-1994, point 1.2.108

**Amended Commission proposals:** COM(94) 557; Bull. 11-1994, point 1.2.93

**Decision concerning signature:** Bull. 11-1994, point 1.2.93

*Endorsed by Parliament on 13 December.*

*Decision on the provisional application of the Treaty by the European Community adopted by the Council on 15 December.*

*Decision on the provisional application of the Treaty by the European Atomic Energy Community adopted by the Council on 15 December.*

*Signed in Lisbon on 17 December.* Mr Oreja signed the Treaty on behalf of the European Communities. At the signing ceremony, 46 of the 51 negotiating parties signed the Treaty, including all the European countries except Hungary. It will remain open for signature until 16 June 1995.

The signing of the Treaty follows the agreement reached by the contracting parties in June 1994 which made it possible to translate into legally binding provisions the political commitment entered into as a result of the signing of the Charter in 1991.

The aim of the Charter is to develop new relations between the main European countries, most of the Independent States of the former Soviet Union and Central and Eastern Europe, Canada, the United States and Japan concerning trade, investment and energy cooperation. It is designed to help develop the energy potential of the Independent States of the former Soviet Union and the East European countries while helping to improve the European Community's security of supply.

*1.2.111.* Protocol on Energy Efficiency and Related Environmental Aspects.

**Commission recommendation:** COM(94) 531; Bull. 11-1994, point 1.2.94

**Council Decision on the signature of the Protocol:** Bull. 11-1994, point 1.2.94

*Signed in Lisbon on 17 December.*

## *Russian Federation*

*1.2.112.* Draft cooperation agreements between the European Atomic Energy Community and the Russian Federation on controlled nuclear fusion and nuclear safety.

**Commission recommendation:** Bull. 7/8-1990, point 1.3.302

**Negotiating directives:** Bull. 6-1991, point 1.2.99

**Commission proposal concerning conclusion:** Bull. 9-1992, point 1.2.74

*Decision authorizing the Commission to conclude cooperation agreements with the Russian Federation adopted on 22 December.*

## State aid

### *Coal industry*

*1.2.113.* Commission Decisions on aid to the coal industry in Germany and Spain.

**Reference:** Commission Decision No 3632/93/ECSC establishing Community rules for State aid to the coal industry: OJ L 329, 30.12.1993; Bull. 12-1993, point 1.2.125

*Adopted by the Commission on 13 December.* Purpose: to authorize aid for the German coal industry totalling DM 14.3 billion and aid for the Spanish coal industry totalling PTA 128.8 billion for 1994. The Commission took the view that the aid in question was in accordance with the objectives of Commission Decision No 3632/93/ECSC, namely that it was part of a restructuring plan, would be phased out, and its aim is to help reduce production costs. The Commission pointed out in its Decision that schemes linked to agreements between electricity and coal producers must be altered before 31 December 1996 to bring them into line with the provisions of the Decision.

*1.2.114.* Commission Decision on aid to the coal industry in the United Kingdom.

**Reference:** Commission Decision No 2064/86/ECSC establishing Community rules for State aid to the coal industry: OJ L 177, 1.7.1986; Bull. 6-1986, point 2.1.236

*Adopted by the Commission on 13 December.* Purpose: to authorize aid for the coal industry in the United Kingdom totalling UKL 1.4 million for the period 1986-93. The Commission considered that the aid in question was in line with the objectives of Decision 2064/86/ECSC in that it will help to improve the economic viability of the sector and to mitigate related social and regional problems.

# Transport

## General

1.2.115. Council conclusions on environment and transport (→ point 1.2.210).

1.2.116. Council resolution on the European contribution to the development of a global navigation satellite system (GNSS).

**Council agreement:** Bull. 11-1994, point 1.2.96

*Formally adopted by the Council on 19 December.*

OJ C 379, 31.12.1994

## Infrastructure

### *Financial support for projects of Community interest*

1.2.117. Commission Decision concerning the granting of financial support for transport infrastructure projects under the 1994 budget.

*Adopted by the Commission on 21 December.* Purpose: to grant financial support totalling ECU 11.5 million to 14 transport infrastructure projects.

## Inland transport

### *Rail transport*

1.2.118. Proposal for a Council Directive on the approximation of the laws of the Member States with regard to the transport of dangerous goods by rail.

*Adopted by the Commission on 9 December.* The aim of this proposal, which is designed to facilitate the movement of goods, is to harmonize the conditions governing the transport of dangerous goods by rail in the Community on the basis of a sufficiently high level of protection and safety. It provides for the uniform application in international and national transport operations of the international rules on the subject laid down in the Regulations concerning the international carriage of dangerous goods by

rail (RID) as set out in the Convention concerning international carriage by rail (COTIF).

COM(94) 573

### *Road transport*

**Reference:** Treaty concerning the accession of Norway, Austria, Finland and Sweden: OJ C 241, 29.8.1994; Bull. 6-1994, point 1.3.15

1.2.119. Council Regulation (EC) No 3315/94 amending Regulation (EEC) No 3118/93 laying down the conditions under which non-resident carriers may operate national road haulage services within a Member State.

**Regulation amended:** Council Regulation (EEC) No 3118/93: OJ L 279, 12.11.1993; Bull. 10-1993, point 1.2.82

*Proposal adopted by the Commission on 8 December.*

COM(94) 495

*Adopted by the Council on 22 December.* Purpose: to determine, as a result of the accession of Austria, Finland and Sweden, the number of cabotage authorizations to be allocated to those countries and to the existing Member States for the period 1995-98 for the carriage of goods by road within the Community.

OJ L 350, 31.12.1994

1.2.120. Council Directive 94/72/EC amending Council Directive 91/439/EEC on driving licences.

**Directive amended:** Council Directive 91/439/EEC: OJ L 237, 24.8.1991; Bull. 7/8-1991, point 1.2.287

**Commission proposal:** COM(94) 429; Bull. 10-1994, point 1.2.63

*Adopted by the Council on 19 December.* This Directive allows Finland and Sweden the same derogation, valid until 31 December 1997, as Norway was granted in the Act of Accession concerning the model driving licence.

OJ L 337, 24.12.1994

### *Inland waterway transport*

1.2.121. Council Regulation (EC) No 3314/94 amending Regulation (EEC) No 1101/89.

**Regulation amended:** Council Regulation (EEC) No 1101/89 on structural improvements in inland waterway transport: OJ L 116, 28.4.1989; Bull. 4-1989, point 2.1.175

*Proposal adopted by the Commission on 13 December.*

COM(94) 610

*Adopted by the Council on 22 December.*

Purpose: to enable the new Member States to scrap vessels belonging to the active fleet by exempting them, for three years, from the requirement to pay an annual contribution.

OJ L 350, 31.12.1994

1.2.122. Council Regulation (EC) No 3039/94 amending Regulation (EEC) No 1102/89 laying down certain measures for implementing Commission Regulation (EEC) No 1101/89.

**Regulation amended:** Council Regulation (EEC) No 1102/89: OJ L 116, 28.4.1989; Bull. 4-1989, point 2.1.176, as last amended by Regulation (EEC) No 3433/93: OJ C 341, 18.12.1993; Bull. 11-1993, point 1.2.93

*Adopted by the Commission on 14 December.*

Purpose: to lay down the conditions governing the granting of scrapping premiums for vessels on a waiting list taking into account the financial resources made available to the scrapping funds by the Member States concerned.

OJ L 322, 15.12.1994

## Sea transport

1.2.123. Council resolution on the safety of roll-on/roll-off passenger ferries.

**Council agreement:** Bull. 11-1994, point 1.2.107

*Formally adopted by the Council on 22 December.*

OJ C 379, 31.12.1994

## Air transport

1.2.124. Proposal for a Council Directive on the opening-up of the ground handling market at Community airports.

### References:

Council Regulations (EEC) No 2407/92, (EEC) No 2408/92 and (EEC) No 2409/92 on the

licensing of air carriers, access for Community air carriers, and fares and rates for air services (third liberalization package): OJ L 240, 24.9.1992; Bull. 7/8-1992, point 1.3.98

Commission communication on the way forward for civil aviation in Europe: COM(94) 218; Bull. 6-1994, point 1.2.108

*Adopted by the Commission on 13 December.*

This proposal, which forms part of the process of liberalization of air transport and follows on from the Commission communication on European civil aviation adopted in June 1994, is designed to open up the market for ground handling, meaning all services provided at airports to allow airlines to perform their air transport activities. It is intended in particular:

- to define Community rules to ensure effective application of the general principles laid down in the EC Treaty to the ground handling market;
- to introduce certain measures in support of the principles governing the liberalization of air transport and ancillary activities, by organizing access to the market for the various categories of handling services and granting airlines the right to provide their own services (self-handling);
- to ensure transparency of costs as a result of the unbundling of the accounts and financing of handling activities so as to prevent any cross-financing which could distort competition.

COM(94) 590

## Telecommunications, information services and industry

1.2.125. With regard to the development of the information society, the European Council stressed the importance of the basic decision to liberalize telecommunications infrastructure by 1 January 1998 and the role of the private sector and international cooperation (→ point I.7).

## Telecommunications

1.2.126. Draft Commission Directive amending Directive 90/388/EEC with a view to lifting restrictions on the use of cable television networks for the carriage of telecommunications services (→ point 1.2.41).

1.2.127. Council resolution on the principles and timetable for the liberalization of telecommunications infrastructures.

**Council agreement:** Bull. 11-1994, point 1.2.113

*Formally adopted by the Council on 22 December.*

OJ C 379, 31.12.1994

1.2.128. Council resolution on further development of the Community's satellite communications policy, especially with regard to the provision of, and access to, space segment capacity.

**Council agreement:** Bull. 11-1994, point 1.2.114

*Formally adopted by the Council on 22 December.*

OJ C 379, 31.12.1994

Country/purpose	Total assistance
<i>Portugal</i>	
• Environment	329.04
• Transport	163.70

## Structural action, regional policies

### Planning and orientation

#### General

1.2.130. Council Regulation (EC) No 3193/94 amending Council Regulation (EEC) No 2052/88 on the tasks of the Structural Funds and their effectiveness and on coordination of their activities between themselves and with the operations of the European Investment Bank and the other existing financial instruments, and Regulation (EEC) No 4253/88 implementing Regulation (EEC) No 2052/88.

#### Regulations amended:

Council Regulation (EEC) No 2052/88 (OJ L 185, 15.7.1988; Bull. 6-1988, point 2.1.159), as last amended by Council Regulation (EEC) No 2081/93: OJ L 193, 31.7.1993; Bull. 7/8-1993, point 1.2.115

Council Regulation (EEC) No 4253/88 (OJ L 374, 31.12.1988; Bull. 12-1988, point 2.1.200), as last amended by Regulation (EEC) No 2082/93: OJ L 193, 31.7.1993; Bull. 7/8-1993, point 1.2.116

*Proposal adopted by the Commission on 7 December.*

COM(94) 629

*Adopted by the Council on 19 December.* Under this Regulation, requests for expenditure received by the Commission from the new Member States between 1 January and 30 April 1995 have four months' retroactive eligibility, and the programming period for Objective 2 may be extended to five years (1995-99) at the request of the new Member States.

OJ L 337, 24.12.1994

## Economic and social cohesion

### Cohesion Fund

#### Financing

1.2.129. Commission decisions: see Table 1.

Table 1 — *Financing under the Cohesion Fund*

<i>(million ECU)</i>	
Country/purpose	Total assistance
<i>Spain</i>	
• Environment	728.96
• Transport	335.62
<i>Greece</i>	
• Environment	266.45
• Transport	78.50
• Technical study	12.96
<i>Ireland</i>	
• Environment	14.58
• Transport	24.92

### Structural operations under Objective 2 (conversion of regions seriously affected by industrial decline)

1.2.131. Draft Commission Decisions approving single programming documents for Community structural financing for certain Belgian, French, Italian and Netherlands regions, and the Community support framework for Spanish Objective 2 regions.

*Approved on 7 December.* The single programming documents and the Community support framework drawn up by the Commission in partnership with the national authorities concerned are based on the following common objectives:

- to improve employment at local level;
- to develop innovative training, research and environmental action;
- to disseminate the results of research and technological development;
- to ensure that conversion strategies take account of environmental considerations;
- to support local development initiatives: investment aid, project engineering and economic promotion.

The breakdown of Community financing between the Member States is given in Table 2.

Table 2 — *Community assistance for single programming documents under Objective 2*

<i>(million ECU)</i>	
Country/region	Total assistance
<i>Belgium</i>	
• Liège	88.5
<i>France</i>	
• Centre	24.2
• Poitou-Charentes	53.3
• Nord-Pas-de-Calais	318.1
<i>Italy</i>	
• Marche	21
• Venezia	71
<i>Netherlands</i>	
• Groningen	76

Country/region	Total assistance
<i>United Kingdom</i>	
• East Midlands	79
• East Scotland	121
• Gibraltar	5
• Greater London	74
• Industrial South Wales	188
• North-east England	308
• North-west England	329
• Plymouth	29
• Thanet	14
• West Cumbria	25
• West Midlands	371
• West Scotland	286
• Yorkshire and Humberside	313

1.2.132. Commission Decisions approving single programming documents for Community structural financing in certain German, Belgian, French, Italian and Netherlands regions, and in Luxembourg, covered by Objective 2.

**Commission approval:** Bull. 11-1994, point 1.2.120

*Formally adopted on 6, 9, 14, and 16 December.*

### Structural operations under Objective 4 (workers' adaptation to industrial changes and to changes in production systems)

1.2.133. Commission Decisions approving single programming documents for Community structural financing under Objective 4 in Germany, Denmark, Spain, France, Italy, Luxembourg and the Netherlands, and a Community support framework for Social Fund operations in Belgium.

**Commission approval:** Bull. 11-1994, point 1.2.123

*Formally adopted on 2, 8, 12, 14 and 16 December.*

### Structural operations under Objective 5(a) (adjustment of agricultural structures)

#### *General*

1.2.134. Commission communication on a supplementary indicative allocation of appropriations under Objective 5(a) in areas covered by

Objective 5(b) and other areas, along with Decisions on grants under Objective 5(a) in areas not covered by Objective 1.

**Reference:** Commission Decision on an indicative allocation between Member States of Structural Fund commitment appropriations for agriculture under Objective 5(a): Bull. 3-1994, point 1.2.106

*Adopted on 21 December.* Under the indicative allocation between Member States of Structural Fund commitment appropriations for agriculture under Objective 5(a), adopted in March 1994, the Commission shared out appropriations under Objective 5(a) between areas covered by Objective 5(b), on the one hand, and areas not covered on the other, for the period 1994-99, and adopted Decisions granting EAGGF assistance under the agricultural part of Objective 5(a) for areas not covered by Objective 1. The allocation is shown in Table 3.

Table 3 — *Indicative breakdown by Member State of appropriations under Objective 5(a) in areas not covered by Objective 1*

*(million ECU)*

Member State	Total assistance
Belgium	140.3
Denmark	100.3
Germany	851.6
Spain	207.0
France	1 486.6
Italy	494.3
Luxembourg	37.3
Netherlands	78.7
United Kingdom	134.5

*Single programming documents*

1.2.135. Commission Decisions 94/890/EC, 94/891/EC and 94/892/EC approving single programming documents for Community structural measures for improving the processing and marketing conditions for agricultural products in Germany, for the period 1994-99.

*Approved on 13 December.*

*Formally adopted on 23 December.* The single programming documents cover joint action under Objective 5(a) in the following sectors:

- Baden-Württemberg: meat, fruit and vegetables and seeds;
- North Rhine-Westphalia: fruit and vegetables, flowers and plants and various products relating to organic farming;
- Rhineland-Palatinate: meat, non-food meat products, milk and milk products, wine and alcohol, fruit and vegetables.

Community assistance amounts to ECU 21.7 million for Baden-Württemberg, ECU 30.1 million for North Rhine-Westphalia, and ECU 18.7 million for Rhineland-Palatinate.

OJ L 352, 31.12.1994

1.2.136. Commission Decisions 94/838/EC, 94/832/EC, 94/831/EC, 94/835/EC and 94/836/EC approving single programming documents for Community structural measures for improving the processing and marketing conditions for agricultural and forestry products in Spain, Denmark, Luxembourg, the Netherlands and the United Kingdom, under Objective 5(a), covering the period 1994-99.

**Commission approval:** Bull. 10-1994, points 1.2.75 and 1.2.76; Bull. 11-1994, point 1.2.124

*Formally adopted on 8, 15 and 19 December.*  
 OJ L 352, 31.12.1994

*Community support framework*

1.2.137. Commission Decision 94/834/EC approving the Community support framework for Community structural measures to improve the processing and marketing conditions for agricultural and forestry products in Italy, under Objective 5(a), for the period 1994-99.

**Commission approval:** Bull. 11-1994, point 1.2.125

*Formally adopted on 15 December.*  
 OJ L 352, 31.12.1994

**Structural assistance under Objective 5(a) (adjustment of fisheries structures)**

*Legislative aspects*

1.2.138. Proposal for a Council Regulation amending Regulation (EC) No 3699/93 laying down criteria and arrangements regarding Com-



munity structural assistance in the fisheries and aquaculture sector and the processing and marketing of its products.

**Regulation to be amended:** Council Regulation (EC) No 3699/93: OJ L 346, 31.12.1993; Bull. 12-1993, point 1.2.148

*Adopted by the Commission on 6 December.* Would replace the expression in gross registered tonnage (GRT) of the tonnage threshold for access to certain measures by its expression in gross tonnes (GT), in accordance with the method applicable to the whole fleet of fishing vessels of the European Union, and would revise the scales and rates of assistance in line with the change of unit.

COM(94) 568

#### *Single programming documents*

1.2.139. Commission Decisions 94/927/EC to 94/935/EC approving single programming documents for structural measures in the fisheries and aquaculture sectors and for the processing and marketing of their products in Germany, Belgium, Denmark, Spain, France, Italy, Luxembourg, the Netherlands and the United Kingdom, under Objective 5(a) — fisheries.

**Commission approval:** Bull. 11-1994, point 1.2.128

*Formally adopted on 22 December.*

OJ L 364, 31.12.1994.

#### **Structural measures under Objective 5(b) (development and structural adjustment in rural areas)**

1.2.140. Commission Decisions approving single programming documents for Community structural measures in Germany (Bavaria, Hesse, Lower Saxony, Rhineland-Palatinate and Schleswig-Holstein), Spain (Aragon, Balearic Islands, Catalonia, Madrid, Basque Country), France (Languedoc-Roussillon), Denmark, Italy (Emilia-Romagna, Lazio, Tuscany, Venezia), the Netherlands (Limburg) and the United Kingdom (Borders, South West England, Wales), under Objective 5(b).

*Approved on 7 December.*

*Formally adopted on 21 and 23 December.* The single programming documents drawn up in col-

laboration with the national and regional authorities concerned are intended to achieve the following priorities:

- economic development and diversification;
- assistance to small, medium-sized and craft enterprises;
- development of tourism;
- capitalization of human resources;
- conservation of natural resources and the environment.

See Table 4 for the Community assistance scheduled for each region.

Table 4 — *Community assistance for single programming documents under Objective 5(b)*

<i>(million ECU)</i>	
Country/region	Total assistance
<i>Germany</i>	
• Bavaria	560.2
• Hesse	80.8
• Lower Saxony	245.1
• Rhineland-Palatinate	111.3
• Schleswig-Holstein	85.9
<i>Denmark</i>	
• All Objective 5(b) areas	54
<i>Spain</i>	
• Aragon	298.6
• Balearic Islands	46.1
• Catalonia	148
• Madrid	49.3
• Basque Country	26.5
<i>France</i>	
• Languedoc-Roussillon	119.9
<i>Italy</i>	
• Emilia-Romagna	57.1
• Lazio	145.7
• Tuscany	133
• Venezia	145.6
<i>Netherlands</i>	
• Limbourg	19
<i>United Kingdom</i>	
• Borders	30
• South-west England	219
• Wales	184

1.2.141. Commission Decisions approving single programming documents for Community structural measures in France (Alsace, Aquitaine, Auvergne, Lower Normandy, Burgundy, Brittany, Champagne-Ardenne, Centre, Franche Comté, Upper Normandy, Limousin, Midi-Pyrénées, Loire Region, Poitou-Charentes, Provence-Alpes-Côte d'Azur, Rhône-Alpes), Spain (Navarre, Rioja), Italy (Bolzano, Friuli-Venezia Giulia, Lombardy, Umbria, Trento, Valle d'Aosta), the Netherlands (Friesland, Groningen-Drenthe, Overijssel, Zeeland), the United Kingdom (Dumfries and Galloway, East Anglia, Northern Uplands) and Luxembourg, under Objective 5(b).

**Commission approval:** Bull. 10-1994, point 1.2.77; Bull. 11-1994, point 1.2.129

*Formally adopted on 6, 9, 14, 16, 19, 21 and 23 December.*

### Community initiatives

1.2.142. Commission Decision on financial allocation between Member States of grants available under the Konver initiative.

**Reference:** Commission notices to the Member States laying down guidelines for operational programmes or global grants which Member States are invited to establish in the framework of Community initiatives Konver, SMEs, Regis II, Rechar II, Retex, Resider II, Interreg II, Leader II, Pesca, ADAPT, Employment and Development of Human Resources, Urban and Modernization of the Portuguese textile and clothing industry: OJ C 180, 1.7.1994; Bull. 6-1994, point 1.2.133

*Adopted on 21 December.* The decisions list the eligible areas and specify the allocation of financing between Member States for the Konver initiative, which is intended to support the conversion of regions seriously affected by job losses in activities related to defence. The allocation is shown in Table 5.

Table 5 — *Indicative breakdown by Member State of appropriations for the Konver initiative (1994-97)*

<i>(million ECU)</i>	
Country	Total assistance
Belgium	11.4
Denmark	2.3
Germany	219.3
Spain	23.3
Greece	12.7
France	70.2
Italy	45.3
Luxembourg	0.3
Netherlands	11.4
Portugal	7.8
United Kingdom	95.7

### Financing

#### Regions lagging behind in development

1.2.143. Commission Decisions: see Table 6.

Table 6 — *Financing under Objective 1*

<i>(million ECU)</i>		
Country/purpose	Fund	Total assistance
<i>Spain</i>		
• Andalusia	ERDF	2939
• Andalusia (Doñana Phase II)	ERDF	146.5
• Asturias	EAGGF	81.07
• Canary Islands	EAGGF	80.7
• Cantabria	ERDF	105
• Cantabria	EAGGF	54.3
• Castile-la Mancha	EAGGF	288.38
• Castile-Leon	EAGGF	381.11
• Local environment	ERDF	580.6
• Extremadura	EAGGF	174.83
• Galicia	EAGGF	303.53
• Food industry and structural agriculture measures	EAGGF	1 220

(million ECU)			(million ECU)		
Country/purpose	Fund	Total assistance	Country/purpose	Fund	Total assistance
• Scientific infrastructure	ERDF	342.1	<i>Italy</i>		
• Murcia	EAGGF	55.62	• Basilicata	ERDF/ESF	368
• Fisheries	IFOP	995	• Calabria	ERDF/ESF	580.3
• Valencia	EAGGF	103.53	• Telecommunications	ERDF	377
<i>Ireland</i>			• Rail transport	ERDF	701
• Local rural and urban development	ERDF/ESF/ EAGGF	257	• Technological research and development	ERDF	343.5
<i>Greece</i>			<i>Germany</i>		
• Railways	ERDF	294.1	• Fisheries	FIFG	7
• Urban development	ERDF	783	<i>Portugal</i>		
• Roads, ports and airports	ERDF	1 327.4	• Technical assistance	ERDF/ESF	101.6
• Fisheries		150	• Setubal peninsula	ERDF	6.9

## Community initiatives

1.2.144. Commission Decisions: see Table 7.

Table 7 — Financing Community initiatives

(million ECU)			
Type	Country	Fund	Total assistance
Employment and development of human resources	Germany	ESF	156.8
	Belgium		
	• French-speaking community	ESF	19.9
	• Dutch-speaking community	ESF	12.2
	Denmark	ESF-ERDF	11
	Spain	ESF-ERDF	386.6
	France	ESF-ERDF	146.5
	Greece	ESF-ERDF	64.4
	Ireland	ESF-ERDF	76.1
	Italy	ESF	348.7
	Luxembourg	ESF-ERDF	0.3
	Netherlands	ESF	42.2
	Portugal	ESF-ERDF	40.3
	United Kingdom	ESF-ERDF	134.6
United Kingdom (Northern Ireland)	ESF	11.9	

**Other financing**

1.2.145. Commission Decisions: see Table 8.

Table 8 — *Other financing*

<i>(million ECU)</i>			
Type	Purpose	Fund	Total assistance
Pilot project	Resort regeneration pilot project	ERDF	0.2
Studies	Europe's image: education and development factors in the central region	ERDF	0.6
	Regional planning on trans-Alpine routes	ERDF	0.8

### Measures in favour of the most remote regions.

#### *General*

1.2.146. Commission report on the situation of Community rum producers.

**Reference:** Council Decision 89/687/EEC establishing a programme of options specific to the remote and insular nature of the French overseas departments (Poseidom): OJ L 399, 30.12.1989; Bull. 12-1989, point 2.1.142

*Adopted on 21 December.* The Commission report stresses the importance of rum production for the entire sugar-cane/sugar/rum sector, which is the basis for the economic and social equilibrium of the overseas departments. The Commission points out that in the context of liberalization of imports and in view of the drop in the quantity of rum from the overseas departments marketed, Community producers must make a major effort to adjust in order to meet the new requirements of the Community rum market. To support this effort, the Commission believes that the sector should be taken into account under the Structural Funds for the period 1994-99 and that the outlets and income of sugar producers in the overseas departments should be maintained, in particular by taking account of the specific characteristics of this production when market organization for sugar is reformed in 1995/96. The Commission also considers that, pending the positive effects of these efforts, taxation measures provide the only effective and immediate means of maintaining a commercial niche for rum from the overseas departments at a level corresponding to the traditional trade recorded in recent years.

This report is accompanied by two other reports on the situation and outlook for the rum market as provided for by the Fourth ACP-EEC Convention and by Council Decision 91/482/EEC on the association of the overseas countries and territories with the European Economic Community (→ *points 1.3.87 and 1.3.94*).

1.2.147. Council Regulation (EC) No 3256/94 amending Regulation (EEC) No 1657/93 temporarily suspending the autonomous Common Customs Tariff duties on certain industrial products intended to equip the free zones of the Azores and Madeira.

**Council Regulation amended:** Regulation (EEC) No 1657/93: OJ L 158, 30.6.1993

**Commission proposal:** OJ C 322, 19.11.1994; COM(94) 349; Bull. 9-1994, point 1.2.136

*Endorsed by Parliament on 16 December.*

OJ C 18, 23.1.1995

*Adopted by the Council on 22 December.* This Regulation temporarily suspends Common Customs Tariff duties on certain capital goods intended to equip the free zones of the Azores and Madeira.

OJ L 339, 29.12.1994

1.2.148. Council Regulation (EC) No 3257/94 amending Regulation (EEC) No 1602/92 temporarily derogating from implementation of Community anti-dumping measures on imports into the Canary Islands of certain sensitive products.

**Council Regulation amended:** Regulation (EEC) No 1602/92: OJ L 173, 27.6.1992; Bull. 6-1992, point 1.3.122

**Commission proposal:** COM(94) 273; Bull. 9-1994, point 1.2.138

*Endorsed by Parliament on 16 December.*

OJ C 18, 23.1.1995

*Adopted on 22 December.* The purpose of this Regulation is to ensure that anti-dumping duties on goods for the local market imported into the Canary Islands in exemption therefrom are collected if the goods are subsequently consigned to another part of the Community.

OJ L 339, 29.12.1994

## Financing

1.2.149. Commission Decisions: see Table 9.

Table 9 — *Financing under the Poseima programme*

<i>(million ECU)</i>	
Purpose	Amount
To compensate for the extra costs of supplying oil to:	
• the Azores	7.2
• Madeira	4.6

## Other regional measures

1.2.150. Commission communication to Parliament and to the Council on a special support programme for peace and reconciliation in Northern Ireland.

*Adopted on 7 December.* In this communication, the Commission bases its approach on the need to promote reconciliation, to encourage economic growth and to expand job opportunities. To this end, it proposes a special aid programme for Northern Ireland, in which it identifies priorities for action with a view to promoting urban and rural regeneration, combating unemployment, encouraging cross-border development, and facilitating social inclusion by encouraging cross-community cooperation. The Commission considers that these priorities can best be met by the introduction of a special distinct multi-annual programme, to support new measures in Northern Ireland and in the border counties of the Republic. It has budgeted for a total of ECU 300 million in complementary aid for the period 1995-97.

COM(94) 607

1.2.151. The European Council, confirming the commitment of the European Union to supporting the peace process in Northern Ireland, approved the principle of the multiannual pro-

gramme, accompanied by the granting of complementary resources, as proposed by the Commission. The main purpose of the programme is to foster reconciliation; it will benefit all communities in an equitable way, while focusing more particularly on those areas and sections of the population suffering most acute deprivation (→ *point 1.10*).

## Agriculture

### Orientation of CAP

1.2.152. Council Regulation (EC) No 3095/94 on aid which Austria and Finland may grant on stocks held by private operators on 1 January 1995.

**Commission proposal:** COM(94) 441; Bull. 10-1994, point 1.2.83

*Adopted on 12 December.* Provides a general framework within which Austria and Finland can grant aid to offset losses to holders of stocks as a result of the fall in market prices on accession. Aid may not exceed the difference between agricultural prices in these countries and Community prices.

OJ L 328, 20.12.1994

### Agrimonetary system

1.2.153. Council Regulation (EC) No 3311/94 extending by one month application of the agrimonetary arrangements in force on 31 December 1994 and fixing agricultural conversion rates for the new Member States.

**Regulation amended:** Council Regulation (EC) No 3813/92 (OJ L 387, 31.12.1992; Bull. 12-1992, point 1.3.209), amended by Regulation (EC) No 3528/93: OJ L 320, 22.12.1993; Bull. 12-1993, point 1.2.189

*Adoption by the Commission of a proposal.*

*Agreed by the Council on 14 December.*

*Formally adopted on 20 December.* Extends the agrimonetary arrangements in force by one

month to 31 January 1995 and sets agricultural conversion rates for the new Member States.

OJ L 350, 31.12.1994

## Market organization

### Field crops

**Basic Regulation:** Council Regulation (EEC) No 1765/92 (OJ L 181, 1.7.1992; Bull. 6-1992, point 1.3.141), last amended by Regulation (EC) No 232/94: OJ L 30, 3.2.1994; Bull. 1/2-1994, point 1.2.125

*1.2.154.* Regulation (EC) No 3116/94 amending Regulation (EEC) No 1765/92 establishing a support system for producers of certain arable crops.

**Regulation amended:** Council Regulation (EEC) No 1765/92: OJ L 181, 1.7.1992; Bull. 6-1992, point 1.3.141

**Commission proposal:** OJ C 297, 25.10.1994; COM(94) 404; Bull. 10-1994, point 1.2.84

**Parliament opinion:** OJ C 362, 19.12.1994; Bull. 11-1994, point 1.2.137

*Adopted on 12 December.* This Regulation, stemming from the 1994/95 price package agreement, grants special aid for up to 50 000 ha of durum wheat grown in France outside traditional production areas, increases durum wheat production quotas by 20 000 hectares in Spain and 5 000 hectares in Portugal, recognizes Umbria as a traditional durum wheat production area up to a limit of 5 000 hectares, and permits Germany, given the situation in the new *Länder*, to apportion by region the penalties for any simultaneous overrun of the maximum guaranteed and national reference areas for oilseeds.

Member States may also, to prevent significant overrun of the national reference area from triggering off substantial penalties, restrict, giving notification before 1 August of the previous marketing year, i.e. before sowing, the eligible area for which producers may receive specific compensatory payment for oilseed cultivation.

OJ L 330, 21.12.1994

*1.2.155.* Council Regulation (EC) No 2990/94 derogating from Regulation (EEC) No 1765/92 establishing a support system for producers of certain arable crops as regards the set-aside requirement for the 1995/96 marketing year.

**Commission proposal:** OJ C 302, 28.10.1994; COM(94) 417; Bull. 10-1994, point 1.2.85

**Parliament opinion:** OJ C 363, 19.12.1994; Bull. 11-1994, point 1.2.136

*Adopted on 5 December.* Reduces the rotational set-aside rate for arable land from 15 to 12% for the 1995/96 marketing year only.

OJ L 316, 9.12.1994

*1.2.156.* Proposal for a Council Regulation amending for the seventh time Regulation (EEC) No 1765/92 establishing a support system for producers of certain arable crops.

*Adopted by the Commission on 14 December.* Would set national reference areas for oilseeds for the new Member States.

COM(94) 637

### Oils and fats

*1.2.157.* Council Regulation (EC) No 2991/94 laying down standards for spreadable fats.

**Commission proposal:** OJ C 36, 14.2.1992; COM(91) 462; Bull. 11-1991, point 1.2.105

**Economic and Social Committee opinion:** OJ C 223, 31.8.1992; Bull. 5-1992, point 1.1.160

**Parliament opinion:** OJ C 337, 21.12.1992; Bull. 11-1992, point 1.3.185

**Amended Commission proposal:** OJ C 62, 4.3.1993; COM(93) 60; Bull. 1/2-1993, point 1.2.172

**Council agreement:** Bull. 11-1994, point 1.2.139

*Formally adopted on 5 December.* Sets Community rules covering the definition, categorization, sales description and marketing of fats for use as spreads by the final consumer.

OJ L 316, 9.12.1994

### Wine

*1.2.158.* Proposal for a Parliament and Council Regulation amending Council Regulations (EEC) No 1576/89 laying down general rules on the definition, description and presentation of spirit drinks and (EEC) No 1601/91 laying down general rules on the definition, description and presentation of aromatized wines, aromatized wine-based drinks and aromatized wine-product cocktails following the Uruguay Round of multilateral trade negotiations.

**Commission proposal:** COM(94) 414; Bull. 10-1994, point 1.3.70

**Economic and Social Committee opinion:** Bull. 11-1994, point 1.2.144

*Endorsed by Parliament (first reading) on 13 December* subject to amendments, notably entry into force of the Regulation on 1 January 1995.

OJ C 18, 23.1.1995

*Common position adopted by the Council on 13 December* incorporating Parliament's amendments.

OJ C 369, 24.12.1994

*Endorsed by Parliament (second reading) on 15 December.*

OJ C 18, 23.1.1995

*Agreed by the Council on 19 December.*

*Approved by the Council on 22 December.* Requires Member States to adopt measures permitting interested parties to prevent, subject to certain conditions, illegitimate use of geographical indications protected by a third country member of the World Trade Organization, in line with the Agreement on trade-related aspects of intellectual property rights included in the Uruguay Round Final Act.

*1.2.159.* Proposal for a Council Regulation amending Regulation (EEC) No 4007/87 extending the period referred to in Articles 90(1) and 257(1) of the Act of Accession of Spain and Portugal.

**Reference:** Act of Accession of Spain and Portugal to the Community: OJ L 302, 15.11.1985; Bull. 1-1986, point 1.1.1

**Regulation to be amended:** Regulation (EEC) No 4007/87 (OJ L 378, 31.12.1987), last amended by Regulation (EEC) No 370/94: OJ L 48, 19.2.1994; Bull. 1/2-1994, point 1.2.122

*Adopted by the Commission on 15 December.* Would extend by one year the period during which transitional measures may be taken to surmount certain difficulties in application of Community wine sector rules in Spain and Portugal.

OJ C 382, 31.12.1994; COM(94) 635

## Hops

*1.2.160.* Proposal for a Council Regulation amending Regulation (EEC) No 2997/87 laying down the amount of aid to hop producers for the 1986 harvest and providing for special measures for certain regions of production.

**Regulation to be amended:** Regulation (EEC) No 2997/87 (OJ L 284, 7.10.1987; Bull. 9-1987, point 2.1.151), last amended by Regulation (EEC) No 3338/92: OJ L 336, 20.11.1992; Bull. 11-1992, point 1.3.201

*Adopted by the Commission on 7 December.* Extends to 31 December 1996 the time limit for implementing varietal conversion plans in Belgium, Portugal and Spain.

OJ C 377, 31.12.1994 and COM(94) 535

## Milk and milk products

*1.2.161.* Council Regulation (EC) No 3232/94 amending Regulation (EEC) No 3610/93: on continued importation of New Zealand butter into the United Kingdom on special terms.

**Regulation to be amended:** Council Regulation (EC) No 3610/93: OJ L 328, 29.12.1993; Bull. 12-1993, point 1.2.205

**Commission proposal:** COM(94) 499; Bull. 11-1994, point 1.2.148

*Agreed by the Council on 12 December.*

*Formally adopted on 20 December.* Allows New Zealand butter imports into the United Kingdom to continue until 30 June 1995.

OJ L 338, 28.12.1994

*1.2.162.* Council Regulation (EC) No 3096/94 amending Regulation (EEC) No 2990/82 on the sale of butter at reduced prices to persons receiving social assistance.

**Regulation amended:** Council Regulation (EEC) No 2990/82 (OJ L 314, 10.11.1982), last amended by Regulation (EEC) No 3654/92: OJ L 370, 19.12.1992; Bull. 12-1992, point 1.3.241

**Commission proposal:** COM(94) 472; Bull. 11-1994, point 1.2.147

*Adopted on 12 December.* Continues for two years until 31 December 1996 the arrangement for sale of butter at reduced prices to recipients of social assistance in Ireland. The aid is set at ECU 115 per 100 kilos.

OJ L 328, 20.12.1994

## Sheepmeat and goatmeat

*1.2.163.* Proposals for Council Regulations amending Regulations (EEC) Nos 3013/89 on common organization of the market in sheepmeat and goatmeat and 3901/89 defining lambs fattened as heavy carcasses.

**Reference:** 1994/95 agricultural prices 1994-1995: OJ L 197, 30.7.1994; Bull. 7/8-1994, point 1.2.134

**Regulations to be amended:**

Council Regulation (EEC) No 3013/89 (OJ L 289, 7.10.1989; Bull. 9-1989, point 2.1.104), last amended by Regulation (EC) No 1886/94: OJ L 197, 30.7.1994; Bull. 7/8-1994, point 1.2.134

Council Regulation (EEC) No 3901/89: OJ L 375, 23.12.1989; Bull. 12-1989, point 2.1.189

*Adopted by the Commission on 16 December.* These proposals stem from the 1994/95 price package agreement.

□ Amendment of Regulation (EEC) No 3013/89 would (a) increase the number of ewe and she-goat premiums in Greece and Italy from the 1995 marketing year in order to compensate for non-establishment of producers' rights on the occasion of the 1991 premium adjustment arrangements and (b) permit simplification of the premium arrangements to help certain producer groups.

□ Amendment of Regulation (EEC) No 3901/89: would further relax the present derogation for the purposes of the ewe premium as regards fattening of lambs as heavy carcasses.

OJ C 382, 31.12.1994 and COM(94) 643

*Eggs*

*1.2.164.* Regulation (EC) No 3117/94 amending Regulation (EEC) No 1907/90 on certain marketing standards for eggs.

**Regulation amended:** Regulation (EEC) No 1907/90: OJ L 173, 6.7.1990

**Commission proposal:** COM(94) 507; Bull. 11-1994, point 1.2.151

*Adopted on 12 December.* The changes are designed to facilitate intra-Community trade by making certain common standards more precise. Egg packing undertakings are allowed greater flexibility over the use of reusable open containers and indications relating to 'extra' eggs and the definition of 'batch' is aligned on the recent amendment relating to obligatory indication of the date of minimum durability, with an exemption for sales from producers to retailers in certain parts of Finland.

OJ L 330, 21.12.1994

**EAGGF Guarantee Section**

*1.2.165.* Commission Decision 94/871/EC on clearance of the accounts presented by Member States in respect of expenditure for 1991 of the EAGGF Guarantee Section.

**References:**

Decision 93/759/EEC, on clearance of the 1990 accounts: OJ L 301, 8.12.1993; Bull. 10-1993, point 1.2.146

Joint Council and Commission conclusions on milk quotas: Bull. 10-1994, point 1.2.88

*Adopted on 20 December.* The 1991 clearance operation covered ECU 31.3 billion declared by the Member States. Correction of accounting errors and corrections following investigations resulted in recovery of ECU 1.518 billion. The most important corrections relate to application of milk quotas: ECU 1.175 billion, of which ECU 1 billion is for uncollected additional levy. The latter figure includes ECU 422 million charged against Greece, Italy and Spain in line with the joint Council and Commission conclusions of 21 October on milk quotas. The Commission reserves the right to re-examine these charges if one or more elements of the conclusions are not implemented, notably withdrawal of the appeals pending before the Court of Justice on the 1989 and 1990 clearance decisions.

OJ L 352, 31.12.1994

*1.2.166.* Council Regulation (EC) No 3094/94, amending Regulation (EEC) No 4045/89 on scrutiny by Member States of transactions forming part of the EAGGF Guarantee financing system.

**Regulation amended:** Council Regulation (EEC) No 4045/89: OJ L 388, 30.12.1989; Bull. 12-1989, point 2.1.209

**Commission proposal:** OJ C 175, 28.6.1994; COM(94) 159; Bull. 6-1994, point 1.2.148

**Parliament opinion:** OJ C 341, 5.12.1994; Bull. 11-1994, point 1.2.153

*Adopted on 12 December.* Designed, in the light of four years of application of Regulation (EEC) No 4045/89, to improve the effectiveness of Member States' monitoring of the regularity of operations financed by the Guarantee Section. Member States will have greater latitude in selecting undertakings and operations for scrutiny.

OJ L 328, 20.12.1994

*1.2.167.* Council Regulation (EC) No 3233/94 amending Regulation (EEC) No 3508/92 establishing an integrated administration and control system for certain Community aid schemes.

**Regulation amended:** Council Regulation (EEC) No 3508/92: OJ L 355, 5.12.1992; Bull. 11-1992, point 1.3.163

**Commission proposal:** OJ C 294, 22.10.1994; COM(94) 286; Bull. 7/8-1994, point 1.2.139



**Parliament opinion:** OJ C 362, 19.12.1994; Bull. 11-1994, point 1.2.154

*Adopted on 20 December.* Extends to 1995 Community part-financing of expenditure incurred by Member States in setting up the new integrated system.

OJ L 338, 28.12.1994

*1.2.168.* Council Regulation (EC) No 3235/94 amending, as a result of the accession of Austria, Finland and Sweden, certain regulations in the agricultural sector, in order to extend part-financing of certain measures to the new Member States.

**Regulations amended:**

Council Regulation (EEC) No 4045/89 on scrutiny by Member States of transactions forming part of the EAGGF Guarantee financing system and repealing Directive 77/435/EEC (OJ L 388, 30.12.1989; Bull. 12-1989, point 2.1.209), last amended by Regulation (EEC) No 1863/90: OJ L 170, 3.7.1990

Council Regulation (EEC) No 307/91 on reinforced monitoring of certain expenditure chargeable to the EAGGF Guarantee Section: OJ L 37, 9.2.1991; Bull. 1/2-1991, point 1.2.195

Council Regulation (EEC) No 3508/92 establishing an integrated administration and control system for certain Community aid schemes (OJ L 355, 5.12.1992; Bull. 11-1992, point 1.3.163), amended by Regulation (EC) No 165/94: OJ L 24, 29.1.1994; Bull. 1/2-1994, point 1.2.137

Council Regulation (EC) No 165/94 on co-financing by the Community of remote sensing checks and amending Regulation (EEC) No 3508/92 establishing an integrated administration and control system for certain Community aid schemes: OJ L 24, 29.1.1994; Bull. 1/2-1994, point 1.2.137

**Commission proposal:** COM(94) 527; Bull. 11-1994, point 1.2.155

*Adopted on 20 December.* Provides for Community part-financing of expenditure by the new Member States on establishing control systems.

OJ L 338, 28.12.1994

## Fisheries

*1.2.169.* The European Council called upon the Council to adopt measures for all Community fishing vessels before the end of the year,

bearing in mind that fishing effort must not be increased, and to lay down conditions of access to zones and resources which are subject to specific provisions by virtue of the Act of Accession of Spain and Portugal(→ *point 1.9*).

## Orientation of common fisheries policy

*1.2.170.* Proposal for a Council Regulation establishing the rules for access to certain Community fishing areas and resources.

**References:**

Act of Accession of Spain and Portugal: OJ L 302, 15.11.1985; Bull. 1-1986, point 1.1.1

Council Regulation (EC) No 3094/86 laying down certain technical measures for the conservation of fishery resources (OJ L 288, 11.10.1986; Bull. 10-1986, point 2.1.174), as last amended by Council Regulation (CE) No 1796/94: OJ L 187, 22.7.1994; Bull. 7/8-1994, point 1.2.153

Council Regulation (EC) No 1275/94 on adjustments to the arrangements in the fisheries chapters of the Act of Accession of Spain and Portugal: OJ L 140, 3.6.1994; Bull. 5-1994, point 1.2.109

Proposal for a Council Regulation amending Regulation (EEC) No 2847/93 establishing a control system applicable to the common fisheries policy: OJ C 247, 3.9.1994; COM(94) 309; Bull. 7/8-1994, point 1.2.163

**Commission proposal:** OJ C 247, 3.9.1994; COM(94) 308; Bull. 7/8-1994, point 1.2.152

**Economic and Social Committee opinion:** Bull. 11-1994, point 1.2.163

*Endorsed by Parliament on 15 December* subject to amendments postponing the identification of sensitive zones and the definition of measures to be taken in those areas.

OJ C 18, 23.1.1995

*Agreed by the Council on 22 December.* This agreement is part of an overall compromise under Council Regulation (EC) No 1275/94 and in accordance with the conclusions of the Essen European Council on the full integration of Spain and Portugal into the general arrangements of the common fisheries policy as from 1996. The compromise also provides for changes to the system of control (proposal: COM(94) 309, not yet examined by Parliament) and to the rules on technical measures and various factors

relating to the fixing of TACs from 1996. The Council agreement on access to fishing zones and resources is based on the principles of relative stability of the national quotas and maintenance of the overall level of fishing effort. It provides in particular for the establishment by Member States of registers of vessels over 15 metres long authorized to fish in waters subject to restrictions under the Act of Accession of Spain and Portugal and the adoption in 1995 of very detailed measures for regulating fishing effort as regards demersal species. It also provides for reserving certain zones for traditional fishing (the Irish Sea and the Bristol Channel) and limiting the number of Spanish vessels authorized to fish in the present 'Irish box' to 40.

*1.2.171.* Proposal for a Council Regulation introducing additional conditions for year-to-year management of TACs and quotas.

**Reference:** Council Regulation (EEC) No 3760/92 establishing a Community system for fisheries and aquaculture: OJ L 388, 31.12.1992; Bull. 12-1992, point 1.3.260

*Adopted by the Commission on 8 December.* Would introduce a certain amount of flexibility in the management of TACs and quotas, by establishing the possibility of year-to-year management. It specifies in particular the conditions on which overrun of an annual quota may be tolerated, the deduction applied in the event of quota overrun and, conversely, the conditions in which part of an annual quota may be carried over to the following year.

OJ C 382, 31.12.1994; COM(94) 583

*1.2.172.* Council Regulation (EC) No 3317/94 laying down general provisions concerning the authorization of fishing in the waters of a third country under a fisheries agreement.

**Reference:** Regulation (EC) No 1627/94 laying down general provisions concerning special fishing permits: OJ L 171, 6.7.1994; Bull. 6-1994, point 1.2.158

**Commission proposal:** OJ C 310, 16.11.1993; COM(93) 496; Bull. 10-1993, point 1.2.154

**Economic and Social Committee opinion:** OJ C 34, 2.2.1994; Bull. 11-1993, point 1.2.169

**Parliament opinion:** OJ C 20, 24.1.1994; Bull. 12-1993, point 1.2.233

**Amended Commission proposal:** OJ C 152, 3.6.1994; COM(94) 146; Bull. 4-1994, point 1.2.130

**Council agreement:** Bull. 6-1994, point 1.2.158

*Adopted on 22 December.* This Regulation originates from the same proposal as that laying down provisions relating to special fishing permits, which did not cover Community vessels operating in the waters of a third country under a fisheries agreement. It lays down the procedures for such authorizations.

OJ L 350, 31.12.1994

*1.2.173.* Council Regulation (EC) No 3259/94 amending Regulation (EEC) No 2930/86 defining the characteristics of fishing vessels.

**Council Regulation amended:** Regulation (EEC) No 2930/86: OJ L 274, 24.9.1986; Bull. 9-1986, point 2.1.133

**Commission proposal:** OJ C 160, 11.6.1994; COM(94) 182; Bull. 5-1994, point 1.2.114

**Economic and Social Committee opinion:** Bull. 9-1994, point 1.2.153

**Parliament opinion:** OJ C 323, 21.11.1994; Bull. 10-1994, point 1.2.94

*Adopted on 22 December.* Provides for the use of a simplified method of measuring fishing vessels of less than 24 metres in length.

OJ L 339, 29.12.1994

## Resources

### *Internal aspects*

*1.2.174.* Council Regulation (EC) No 3021/94 amending for the second time Regulation (EC) No 3676/93 fixing, for certain fish stocks or groups of fish stocks, total allowable catches for 1994 and certain conditions under which they may be fished.

**Council Regulation amended:** Regulation (EC) No 3676/93 (OJ L 341, 31.12.1993; Bull. 12-1993, point 1.2.236), as last amended by Regulation (EC) No 2761/94: OJ L 294, 15.11.1994; Bull. 11-1994, point 1.2.160

**Commission proposal:** COM(94) 532; Bull. 11-1994, point 1.2.161

*Adopted on 8 December.*

OJ L 321, 14.12.1994

1.2.175. Regulation (EC) No 3362/94 fixing, for certain fish stocks or groups of fish stocks, total allowable catches for 1995 and certain conditions under which they may be fished.

*Proposal adopted by the Commission on 7 December.*

*Adopted by the Council on 20 December.* The total allowable catches for 1995 are given in Table 10. The technical conditions are broadly the same as in 1994, with a few adjustments concerning the implementation of the measures decided by the International Baltic Sea Fishery Commission (IBSFC).

COM(94) 566

OJ L 363, 31.12.1994

Table 10 — TACs by stock and by zone for 1995 — Community shares

Species	Zone	TAC	Community share in 1995
Herring	IIIa	42 720 <sup>(2)</sup>	42 220
	III b, c, d <sup>(1)</sup>	307 700	283 200
	III d (IBSFC Management Unit 3)	110 000	110 000
	II a, <sup>(1)</sup> IV a, b	87 430	87 430
	IVc, VII d	16 670 <sup>(1)(2)</sup>	16 670
	V b, <sup>(1)</sup> VI a, N, <sup>(2)</sup> VI b	77 000 <sup>(2)</sup>	70 140
	VI a, S, <sup>(1)</sup> VII b, c	28 000 <sup>(2)</sup>	28 000
	VI a Clyde <sup>(1)</sup>	1 000 <sup>(2)</sup>	1 000
	VII a <sup>(1)</sup>	7 000 <sup>(2)</sup>	7 000
	VII e, f	1 000 <sup>(2)</sup>	1 000
VII g, h, j, k <sup>(1)</sup>	21 000 <sup>(2)</sup>	21 000	
Sprat	III a	13 260 <sup>(2)</sup>	13 260 <sup>(1)</sup>
	III b, c, d <sup>(1)</sup>	181 400	169 400
	II a, <sup>(1)</sup> IV <sup>(1)</sup>	170 000 <sup>(2)</sup>	150 000
	VII d, e	12 000 <sup>(2)</sup>	12 000
Anchovy	VIII	33 000 <sup>(2)</sup>	33 000
	IX, X, Copace 34.1.1 <sup>(1)</sup>	12 000 <sup>(2)</sup>	12 000
Atlantic salmon	III b, c, d <sup>(1)</sup> IBSFC Subdivision 32	377 085 97 680 <sup>(1)</sup>	374 585 97 680 <sup>(1)</sup>
Capelin	II b	0 <sup>(1)</sup>	0 <sup>(1)</sup>
Cod	I, II b	24 220	24 220
	III a Skagerrak	5 000 <sup>(2)</sup>	5 000
	III a Kattegat <sup>(1)</sup>	6 700 <sup>(2)</sup>	6 700
	III b, c, d <sup>(1)</sup>	60 900	59 400
	II a, <sup>(1)</sup> IV	31 000	31 000
	V b, <sup>(1)</sup> VI, XII, XIV	13 000 <sup>(2)</sup>	13 000
	VII a VII b to k, VIII, IX, X, Copace 34.1.1 <sup>(1)</sup>	5 800 17 000 <sup>(2)</sup>	5 800 17 000
Haddock	III a, III b, c, d <sup>(1)</sup>	3 200 <sup>(2)</sup>	2 200
	II a, <sup>(1)</sup> IV	41 000	39 300
	V b, <sup>(1)</sup> VI, XII, XIV	21 000 <sup>(2)</sup>	21 000
	VII, VIII, IX, X, Copace 34.1.1 <sup>(1)</sup>	6 000 <sup>(2)</sup>	6 000
Saithe	II a, <sup>(1)</sup> III a, III b, c, d, <sup>(1)</sup> IV	16 200	16 200
	V b, <sup>(1)</sup> VI, XII, XIV	16 000	16 000
	VII, VIII, IX, X, Copace 34.1.1 <sup>(1)</sup>	14 000 <sup>(2)</sup>	14 000

## Fisheries

			(tonnes)
Species	Zone	TAC	Community share in 1995
Pollack	V b, <sup>(1)</sup> VI, XII, XIV	1 100 <sup>(2)</sup>	1 100
	VII	14 000 <sup>(2)</sup>	14 000
	VIII a, b	2 600 <sup>(2)</sup>	2 600
	VIII c	800 <sup>(2)</sup>	800
	VIII d	50 <sup>(2)</sup>	50
	VIII e	100 <sup>(2)</sup>	100
	IX, X, Copace 34.1.1 <sup>(1)</sup>	450 <sup>(2)</sup>	450
Norwegian pout	II a, <sup>(1)</sup> III a, IV <sup>(1)</sup>	220 000 <sup>(2)</sup>	180 000
Blue whiting	II a, <sup>(1)</sup> IV <sup>(1)</sup>	90 000 <sup>(2)</sup>	50 000
	V b, <sup>(1)</sup> VI, VII	340 000 <sup>(2)</sup>	113 000
	VIII a, b, d	26 500 <sup>(2)</sup>	26 500
	VIII e	1 000 <sup>(2)</sup>	1 000
	VIII c, IX, X, Copace 34.1.1 <sup>(1)</sup>	55 000 <sup>(2)</sup>	55 000
Whiting	III a	4 980 <sup>(2)</sup>	1 580
	II a, <sup>(1)</sup> IV	30 000	22 500
	V b, <sup>(1)</sup> VI, XII, XIV	6 800 <sup>(2)</sup>	6 800
	VII a	8 000 <sup>(2)</sup>	8 000
	VII b to k	25 000 <sup>(2)</sup>	25 000
	VIII	5 000 <sup>(2)</sup>	5 000
	IX, X, Copace 34.1.1 <sup>(1)</sup>	2 640 <sup>(2)</sup>	2 640
Hake	III a, III b, c, d <sup>(1)</sup>	1 660	1 660
	II a, <sup>(1)</sup> IV	1 930	1 930
	V b, <sup>(1)</sup> VI, VII, XII, XIV	30 910	30 910
	VIII a, b, d, e	20 620	20 620
	VIII c, IX, X, Copace 34.1.1 <sup>(1)</sup>	10 000	10 000
Horse mackerel	II a, <sup>(1)</sup> IV <sup>(1)</sup>	60 000 <sup>(2)</sup>	60 000
	V b, <sup>(1)</sup> VI, VII, VIII a, b, d, e, XII, XIV	300 000 <sup>(2)</sup>	293 000
	VIII c, IX	73 000 <sup>(2)</sup>	73 000
Mackerel	II a, <sup>(1)</sup> III a, III b, c, d, <sup>(1)</sup> IV	10 160	10 160
	II a, <sup>(1)</sup> V b, VI, VII, VIII a, b, d, e, XII, XIV	275 000	261 890
	VIII c, IX, X, Copace 34.1.1 <sup>(1)</sup>	36 570 <sup>(2)</sup>	36 570
Plaice	III a Skagerrak	3 660 <sup>(2)</sup>	3 660
	III a Kattegat	2 800 <sup>(2)</sup>	2 800
	III b, c, d <sup>(1)</sup>	3 200 <sup>(2)</sup>	3 200
	II a <sup>(1)</sup> , IV	51 100	51 100
	V b <sup>(1)</sup> , VI, XII, XIV	2 400 <sup>(2)</sup>	2 400
	VII a	2 800	2 800
	VII b, c	300 <sup>(2)</sup>	300
	VII d, e	8 000	8 000
	VII f, g	1 400	1 400
	VII h, j, k	1 350 <sup>(2)</sup>	1 350
	VIII, IX, X, Copace 34.1.1 <sup>(1)</sup>	700 <sup>(2)</sup>	700

(tonnes)

Species	Zone	TAC	Community share in 1995
Sole	III a, III b, c, d <sup>(1)</sup>	2 250 <sup>(2)</sup>	2 250
	II, IV	30 000	30 000
	V b, <sup>(1)</sup> VI, VII, XII, XIV	155 <sup>(2)</sup>	155
	VII a	1 300	1 300
	VII b, c	75 <sup>(2)</sup>	75
	VII d	3 800	3 800
	VII e	950	950
	VII f, g	1 100	1 100
	VII h, j, k	720 <sup>(2)</sup>	720
	VIII a, b	6 600	6 600
VIII c, d, e, IX, X, Copace 34.1.1 <sup>(1)</sup>	2 000 <sup>(2)</sup>	2 000	
Megrims	V b, <sup>(1)</sup> VI, XII, XIV	4 840 <sup>(2)</sup>	4 840
	VII	20 000	20 000
	VIII a, b, d, e	2 590	2 590
	VIII c, IX, X, Copace 34.1.1 <sup>(1)</sup>	6 000 <sup>(2)</sup>	6 000
Anglerfish	V b <sup>(1)</sup> , VI, XII, XIV	8 600 <sup>(2)</sup>	8 600
	VII	18 000	18 000
	VIII a, b, d	5 150	5 150
	VIII e	100 <sup>(2)</sup>	100
	VIII c, IX, X, Copace <sup>(1)</sup>	13 000 <sup>(2)</sup>	13 000
Northern prawn	III a	2 250	2 250
Norway lobster	III a <sup>(1)</sup> , III b, c, d <sup>(1)</sup>	4 830 <sup>(2)</sup>	4 830
	II a, <sup>(1)</sup> IV <sup>(1)</sup>	15 200 <sup>(2)</sup>	15 200
	V b, <sup>(1)</sup> VI	12 600 <sup>(2)</sup>	12 600
	VII	20 000 <sup>(2)</sup>	20 000
	VIII a, b	6 800 <sup>(2)</sup>	6 800
	VIII c	1 000 <sup>(2)</sup>	1 000
	VIII d, e	50 <sup>(2)</sup>	50
	IX, X, Copace 34.1.1 <sup>(1)</sup>	2 500 <sup>(2)</sup>	2 500

<sup>(1)</sup> EC zone.<sup>(2)</sup> Precautionary TAC.

1.2.176. Council Regulation (EC) No 3293/94 fixing, for 1995, certain measures for the conservation and management of fishery resources, applicable to vessels flying the flag of Portugal in waters falling under the sovereignty or within the jurisdiction of Member States, apart from Spain and Portugal; Council Regulation (EC) No 3291/94 fixing, for 1995, certain measures for the conservation and management of fishery resources, applicable to vessels flying the flag of a Member State, other than Spain and Portugal, in waters falling under the sovereignty or within the jurisdiction of Portugal; Regulation (EC) No 3292/94 fixing, for 1995, certain measures for the conservation and management of fishery re-

sources, applicable to vessels flying the flag of a Member State, other than Spain and Portugal, in waters falling under the sovereignty or within the jurisdiction of Spain.

#### References:

Act of Accession of Spain and Portugal: OJ L 302, 15.11.1985; Bull. 1-1986, point 1.1.1

Council Regulation (EC) No 1275/94 on adjustments to the arrangements in the fisheries chapters of the Act of Accession of Spain and Portugal: OJ L 140, 3.6.1994; Bull. 5-1994, point 1.2.109

*Proposals adopted by the Commission on 7 December.*

COM(94) 581

*Adopted by the Council on 19 December.* These Regulations fix, for 1995, in accordance with the Act of Accession of Spain and Portugal, the quantities of fish which may be fished by vessels of other Member States in Spanish and Portuguese waters and by Portuguese vessels in the waters of other Member States and the number of vessels, the types of fishing gear authorized and the period of fishing for each species in the zones concerned. This is the last renewal of the transitional measures laid down in the Act of Accession of Spain and Portugal, Regulation (EC) No 1275/94 having brought forward the full integration of Spain and Portugal into the general arrangements of the common fisheries policy to 1 January 1996.

OJ L 341, 30.12.1994

*1.2.177.* Council Regulation (EC) No 3189/94 laying down for 1995 certain measures for the conservation and management of fishery resources applicable to vessels flying the flag of certain non-member countries in the 200-nautical-mile zone off the coast of the French department of Guiana.

**Commission proposal:** COM(94) 479; Bull. 11-1994, point 1.2.162

*Adopted on 19 December.*

OJ L 340, 29.12.1994

## External aspects

### Angola

*1.2.178.* Protocol setting out the fishing opportunities and financial compensation provided for in the Agreement between the Community and Angola on fishing off Angola for the period 3 May 1994 to 2 May 1996.

**Commission proposal on conclusion of the Protocol:** OJ C 184, 6.7.1994; COM(94) 211; Bull. 6-1994, point 1.2.162

**Parliament opinion:** OJ C 323, 21.11.1994; Bull. 10-1994, point 1.2.95

*Council Regulation (EC) No 3020/94 on the conclusion of the Protocol adopted on 6 December.* The Protocol provides for the following fishing opportunities for the Community fleet off Angola:

□ shrimp vessels: 6 550 gross registered tonnes (GRT) per month, as an annual average (maximum 22 vessels);

- demersal trawlers: 1 900 GRT per month, as an annual average;
- bottom set longliner, fixed gillnet: 900 GRT per month, as an annual average;
- freezer tuna seiners: 19 vessels;
- surface longliners: 5 vessels.

The financial compensation laid down for the duration of the Protocol is fixed at ECU 13.9 million. In addition, the Community will contribute ECU 2.8 million towards the financing of Angolan scientific and technical programmes.

OJ L 324, 16.12.1994

### Estonia

*1.2.179.* Council Regulation (EC) No 3368/94 allocating, for 1995, catch quotas between Member States for vessels fishing in Estonian waters; Council Regulation (EC) No 3367/94 laying down for 1995 certain measures for the conservation and management of fishery resources applicable to vessels flying the flag of Estonia.

*Proposals adopted by the Commission on 14 December.*

COM(94) 618 and 620

*Adopted by the Council on 20 December.* These Regulations allocate the 1995 catch quotas between Member States for Community vessels fishing in Estonian waters and lay down the conditions under which Estonian vessels will be authorized to fish in Community waters in 1995.

OJ L 363, 31.12.1994

### Greenland

*1.2.180.* Council Regulation (EC) No 3363/94 allocating, for 1995, Community catch quotas in Greenland's waters.

*Proposal adopted by the Commission on 14 December.*

COM(94) 624

*Adopted by the Council on 20 December.* Allocates 1995 catch quotas for Community vessels fishing in Greenland's waters.

OJ L 363, 31.12.1994

*1.2.181.* Agreement in the form of an exchange of letters concerning the amendment to

the Agreement on fisheries between the European Community, on the one hand, and the Government of Denmark and the local Government of Greenland, on the other.

**Commission proposal on conclusion:** OJ C 282, 8.10.1994; COM(94) 392; Bull. 9-1994, point 1.2.158

**Endorsed by Parliament:** OJ C 341, 5.12.1994; Bull. 11-1994, point 1.2.168

*Council Decision 94/829/EC on the conclusion of the Agreement adopted on 19 December.*

OJ L 351, 31.12.1994

1.2.182. Third Protocol laying down the conditions relating to fishing provided for in the Agreement on fisheries between the European Community, on the one hand, and the Government of Denmark and the local Government of Greenland, on the other.

**Commission proposal on conclusion:** OJ C 287, 15.10.1994; COM(94) 393; Bull. 9-1994, point 1.2.159

**Endorsed by Parliament:** OJ C 341, 5.12.1994; Bull. 11-1994, point 1.2.169

*Council Regulation (EC) No 3354/94 on the conclusion of the Protocol adopted on 19 December.*

OJ L 351, 31.12.1994

### Faeroes

1.2.183. Council Regulation (EC) No 3365/94 allocating, for 1995, certain catch quotas between Member States for vessels fishing in Faeroese waters; Council Regulation (EC) No 3364/94 laying down, for 1995, certain measures for the conservation and management of fishery resources applicable to vessels flying the flag of the Faeroes.

*Proposals adopted by the Commission on 14 December.*

COM(94) 623 and 621

*Adopted by the Council on 20 December.* The first Regulation allocates among the Member States the catch quotas available to Community vessels fishing in Faeroese waters in 1995 and the second lays down the conditions under which Faeroese vessels will be authorized to fish in Community waters in 1995.

OJ L 363, 31.12.1994

### Iceland

1.2.184. Council Regulation (EC) No 3373/94 allocating for 1995 catch quotas between Member States for vessels fishing in Icelandic waters.

*Proposal adopted by the Commission on 14 December.*

COM(94) 608

*Adopted by the Council on 20 December.* Allocates between Member States the 1995 catch quotas available for Community vessels fishing in Icelandic waters.

OJ L 363, 31.12.1994

### Latvia

1.2.185. Regulation (EC) No 3370/94 allocating, for 1995, catch quotas between Member States for vessels fishing in Latvian waters; Regulation (EC) No 3369/94 laying down, for 1995, certain measures for the conservation and management of fishery resources applicable to vessels flying the flag of Latvia.

*Proposals adopted by the Commission on 14 December.*

COM(94) 619 and 617

*Adopted by the Council on 20 December.* The first of these Regulations allocates between the Member States the quotas available in 1995 for Community vessels fishing in Latvian waters and the second lays down the conditions under which Latvian vessels will be authorized to fish in Community waters in 1995.

OJ L 363, 31.12.1994

### Lithuania

1.2.186. Council Regulation (EC) No 3372/94 allocating, for 1995, catch quotas between Member States for vessels fishing in Lithuanian waters; Regulation (EC) No 3371/94 laying down, for 1995, certain measures for the conservation and management of fishery resources applicable to vessels flying the flag of Lithuania.

*Proposals adopted by the Commission on 14 December.*

COM(94) 616 and 622

*Adopted by the Council on 20 December.* The first of these Regulations allocates between the Member States the quotas available in 1995 for Community vessels fishing in Lithuanian waters and the second lays down the conditions under which Lithuanian vessels will be authorized to fish in Community waters in 1995.

OJ L 363, 31.12.1994

## Norway

1.2.187. Council Regulation (EC) No 3261/94 amending Regulation (EC) No 3692/93 allocating, for 1994, certain catch quotas between Member States for vessels fishing in the Norwegian exclusive economic zone and the fishing zone around Jan Mayen; Regulation (EC) No 3260/94 amending Regulation (EC) No 3691/93 laying down, for 1994, certain measures for the conservation and management of fishery resources applicable to vessels flying the flag of Norway.

**Council Regulations amended:** Regulations (EC) Nos 3691/93 and 3692/93: OJ L 341, 31.12.1993; Bull. 12-1993, point 1.2.250

*Proposals adopted by the Commission on 5 December.*

COM(94) 569 and 554

*Adopted by the Council on 22 December.* The first of these Regulations allocates between Member States the additional catch quotas available to Community vessels fishing in Norwegian waters in 1995; the second increases the quota available to Norwegian vessels in Community waters.

OJ L 339, 29.12.1994

1.2.188. Council Regulation (EC) No 3377/94 allocating, for the period until 31 March 1995, certain catch quotas between Member States for vessels fishing in the Norwegian exclusive economic zone and the fishing zone around Jan Mayen; Council Regulation (EC) No 3376/94 laying down, for the period until 31 March 1995, certain measures for the conservation and management of fishery resources applicable to vessels flying the flag of Norway.

*Proposals adopted by the Commission on 16 December.*

COM(94) 640 and 642

*Adopted by the Council on 20 December.* The first of these Regulations allocates between Member States the quotas available in 1995 for Community vessels fishing in Norwegian

waters; the second lays down the conditions under which Norwegian vessels will be authorized to fish in Community waters from 1 January to 31 March 1995 pending the entry into force of a new arrangement with Norway for 1995.

OJ L 363, 31.12.1994

## Poland and Russia

1.2.189. Regulation (EC) No 3375/94 allocating, for 1995, catch quotas between Member States for vessels fishing in Polish and Russian waters; Regulation (EC) No 3374/94 laying down for 1995 certain measures for the conservation and management of fishery resources applicable to vessels flying the flag of Poland and Russia.

*Proposals adopted by the Commission on 14 December.*

COM(94) 613 and 614

*Adopted by the Council on 20 December.* These Regulations allocate between Member States the quotas available in 1995 for Community vessels fishing in Polish and Russian waters and also lay down the conditions under which Polish and Russian vessels will be authorized to fish in Community waters in 1995.

OJ L 363, 31.12.1994

## Northwest Atlantic Fisheries Organization (NAFO)

1.2.190. Council Regulation (EC) No 3366/94 laying down for 1995 certain conservation and management measures for fishery resources in the Regulatory Area as defined in the Convention on Future Multilateral Cooperation in the North West Atlantic Fisheries.

*Proposal adopted by the Commission on 14 December.*

COM(94) 609

*Adopted by the Council on 20 December.* This Regulation, sets among other things, the total Community catches in the NAFO Regulatory Area for 1995 (See Table 11).

OJ L 363, 31.12.1994



Table 11 — *Total Community catches in the NAFO area (1995)*

		(tonnes)
Species	Zone	Total
Cod	NAFO 2J + 3KL + 3NO	0
	NAFO 3M	5 485
Redfish	NAFO 3M	4 030
	NAFO 3LN	476
American plaice	NAFO 3M + 3LNO	175
Yellowtail flounder	NAFO 3LNO	0
Witch flounder	NAFO 3NO	0
Capelin	NAFO 3NO	0
Squid	NAFO subzones 3 + 4	Token entry
Greenland halibut	NAFO subzones 3 + 4	to be decided
Shrimp	NAFO 3LNO	0

*1.2.191.* Proposal for a Council Regulation amending Regulation (EEC) No 3928/92 establishing a NAFO pilot observer scheme applicable to Community vessels operating in the Regulatory Area of the Northwest Atlantic Fisheries Organization.

**Council Regulation to be amended:** Regulation (EEC) No 3928/92 (OJ L 397, 31.12.1992; Bull. 12-1992, point 1.3.283), as last amended by Regulation (EC) No 2762/94: OJ L 294, 15.11.1994; Bull. 11-1994, point 1.2.160

*Adopted by the Commission on 15 December.* Would extend until 31 December 1995 the pilot observer scheme applicable to Community vessels operating in the NAFO Regulatory Area.

COM(94) 630

## Mediterranean

*1.2.192.* Ministerial conference on fisheries management in the Mediterranean.

*Meeting held in Sissi, Crete, 12 to 14 December.* This conference, organized by the Commission, was chaired by Commission member Mr Paleokrassas and brought together representatives of most of the Mediterranean countries, plus other Member States, Japan, the Republic of Korea

and international and scientific organizations. It concentrated on the state of fisheries resources in the Mediterranean and highlighted the risks of overfishing. At the end of the conference the participants adopted a declaration (→ *point 2.2.1*) on the conservation and management of fisheries resources in the Mediterranean, advocating regional cooperation in the matter of resources, the environment and the application of law with the purpose of ensuring the implementation of a coordinated system of conservation and management.

## Market organization

*1.2.193.* Council Regulations (EC) Nos 3136/94, 3137/94 and 3138/94 fixing for the 1995 fishing year:

□ the guide prices for the fishery products listed in Annex I(A), (D) and (E) to Regulation (EEC) No 3759/92;

□ the guide prices for the fishery products listed in Annex II to Regulation (EEC) No 3759/92;

□ the Community producer price for tuna intended for the industrial manufacture of products falling within CN code 1604.

**Commission proposals:** COM(94) 470; Bull. 11-1994, point 1.2.176

**Council agreement:** Bull. 11-1994, point 1.2.176

*Formally adopted by the Council on 15 December.*

OJ L 332, 22.12.1994

*1.2.194.* Council Regulation (EC) No 3318/94 amending Regulation (EEC) No 3759/92 on the common organization of the market in fishery products and aquaculture.

**Council Regulation amended:** Regulation (EEC) No 3759/92: OJ L 388, 31.12.1992; Bull. 12-1992, point 1.3.284

**Commission proposal:** OJ C 322, 19.11.1994; COM(94) 403; Bull. 9-1994, point 1.2.164

**Economic and Social Committee opinion:** Bull. 11-1994, point 1.2.177

*Endorsed by Parliament on 15 December* subject to an amendment concerning the conditions for the granting and calculation of compensation for producers' organizations in the event of a crisis

OJ C 18, 23.1.1995

*Adopted on 22 December.*

OJ L 350, 31.12.1994

## International cooperation

*1.2.195.* Proposal for a Council Decision on accession of the Community to the Agreement to promote compliance with international conservation and management measures by fishing vessels on the high seas.

**Commission proposal:** OJ C 229, 18.8.1994; COM(94) 331; Bull. 7/8-1994, point 1.2.156

*Endorsed by Parliament on 16 December* subject to an amendment whereby the Commission would have to present an annual report on the implementation of the Agreement.

OJ C 18, 23.1.1995

## Environment

*1.2.196.* The European Council took note of the Commission's intention of submitting guidelines to enable Member States to introduce a CO<sub>2</sub>/energy tax on the basis of common parameters. It also confirmed that it would endeavour to ensure that the forthcoming conference on the Framework Convention on Climate Change agrees on stabilizing CO<sub>2</sub> emissions in the industrialized countries at 1990 levels by the year 2000 and considers how a similar commitment can be achieved beyond the year 2000 (→ points I.5 and I.24).

## General

### *Economic instruments*

*1.2.197.* Commission communication to the Council and Parliament on directions for the European Union on environmental indicators and green national accounting: the integration of environmental and economic information systems.

**Reference:** Commission White Paper on growth, competitiveness and employment: COM(93)

700, Bull. 12-1993, point 1.2.44 and Supplement 6/93 — Bull.

*Adopted by the Commission on 21 December.* In this communication the Commission describes how progress can be made towards green accounting in the context of a new development model based on an integrated approach to economic growth, quality of life, employment, local development and the environment, as advocated in the White Paper. It proposes a strategy with two objectives: the production of indicators which can be used in the reshaping of sectoral policies taking account of the need to preserve natural resources; and the establishment of a 'satellite' national accounting framework to track the development of natural resources as accurately as possible. To achieve these two objectives, the Commission proposes undertaking five tasks simultaneously:

- establishing a common conceptual framework for reference purposes;
- creating a European system of environmental pressure indicators;
- establishing a management chart bringing together environmental pressure and economic performance indicators for the main sectors of activity;
- extending national statistical work on environmental satellite accounts;
- developing methods of evaluating the cost of damage caused to the environment and of restoration work in monetary terms.

COM(94) 670

### *Financial instruments*

*1.2.198.* Commission Decision granting financial support for technical assistance projects in the field of environmental protection with third countries in the Mediterranean region and bordering on the Baltic.

**Basic Regulation:** Council Regulation (EEC) No 1973/92 establishing a financial instrument for the environment (LIFE): OJ L 206, 22.7.1992; Bull. 5-1992, point 1.1.123

*Adopted by the Commission on 7 December.* Purpose: to grant financial support totalling ECU 4 774 929 to 14 projects.

## Industry and environment

### *Environmental control of products, industrial plants and biotechnology*

**1.2.199.** Council Regulation (EC) No 3135/94 amending Annex I to Council Regulation (EEC) No 2455/92 concerning the export and import of certain dangerous chemicals.

**Amended Regulation:** Council Regulation (EEC) No 2452/92; OJ L 251, 29.8.1992; Bull. 7/8-1992, point 1.3.148

**Commission proposal:** OJ C 112, 22.4.1993; COM(93) 120; Bull. 3-1993, point 1.2.96

**Economic and Social Committee opinion:** OJ C 249, 13.9.1993; Bull. 6-1993, point 1.2.158

**Parliament opinion (first reading):** OJ C 91, 28.3.1994; Bull. 3-1994, point 1.2.147

**Council common position:** OJ C 213, 3.8.1994; Bull. 6-1994, point 1.2.173

**Parliament opinion (second reading):** OJ C 341, 5.12.1994; Bull. 11-1994, point 1.2.183

*Re-examined proposal adopted by the Commission on 15 December.*

COM(94) 645

*Adopted by the Council on 15 December.* Purpose: to add to the list of chemicals banned or severely restricted in the Community.

OJ L 332, 22.12.1994

**1.2.200.** Proposal for a European Parliament and Council Directive on the disposal of polychlorinated biphenyls (PCBs) and polychlorinated terphenyls (PCTs).

**Commission proposal:** OJ C 319, 12.12.1988; COM(88) 559; Bull. 10-1988, point 2.1.111

**Economic and Social Committee opinion:** OJ C 139, 5.6.1989; Bull. 3-1989, point 2.1.112

**Parliament opinion (first reading):** OJ C 19, 28.1.1991; Bull. 12-1990, point 1.3.150

**Amended Commission proposal:** OJ C 299, 20.11.1991; COM(91) 373; Bull. 10-1991, point 1.2.186

**Proposal subject to the co-decision procedure since 1 November 1993**

*Common position agreed by the Council on 15 December.* This proposal is designed to amend and replace Directive 76/403/CEE on the disposal of PCBs, which has become obsolete as a result of the ban on the marketing of these substances and the progress made with disposal techniques. The main aim of the proposal is to approximate the legislation of the Member

States on the controlled disposal of PCBs/PCTs and the decontamination and/or disposal of equipment (transformers and condensers) contaminated by them. The deadline set in the Council's common position for the decontamination and/or disposal of such equipment is the end of 2010.

### *Emissions from industrial plants and products*

**1.2.201.** Proposal for a Council Directive on integrated pollution prevention and control

**Commission proposal:** OJ C 311, 17.11.1993; COM(93) 423; Bull. 9-1993, point 1.2.103

**Economic and Social Committee opinion:** OJ C 195, 18.7.1994; Bull. 4-1994, point 1.2.146

*Endorsed by Parliament (first reading) on 14 December,* subject to various amendments designed in particular to clarify and increase the obligations of industrial plant operators and ensure more extensive reference to best available techniques.

OJ C 18, 23.1.1995

**1.2.202.** Council Directive 94/66/EC amending Directive 88/609/EEC on the limitation of emissions of certain pollutants into the air from large combustion plants.

**Commission proposal:** OJ C 17, 22.1.1993; COM(92) 563; Bull. 12-1992, point 1.3.190

**Economic and Social Committee opinion:** OJ C 201, 26.7.1993; Bull. 5-1993, point 1.2.100

**Parliament opinion:** OJ C 268, 4.10.1993; Bull. 9-1993, point 1.2.104

**Proposal subject to the cooperation procedure since 1 November 1993**

**Council agreement on a common position:** Bull. 3-1994, point 1.2.148

**Council common position:** OJ C 213, 3.8.1994; Bull. 6-1994, point 1.2.174

**Parliament opinion (second reading):** OJ C 341, 5.12.1994; Bull. 11-1994, point 1.2.186

*Adopted by the Council on 15 December.* Purpose: to set a 2 000 mg/m<sup>3</sup>; limit value for sulphur dioxide emissions from combustion plants between 50 and 100 MWth authorized after 1 July 1987.

OJ L 337, 24.12.1994

### *Waste management*

**1.2.203.** European Parliament and Council Directive 94/62/EC on packaging and packaging waste.

**Commission proposal:** OJ C 263, 12.10.1992; COM(92) 278; Bull. 7/8-1992, point 1.3.144

**Economic and Social Committee opinion:** OJ C 129, 10.5.1993; Bull. 3-1993, point 1.2.98

**Parliament opinion (first reading):** OJ C 194, 19.7.1993; Bull. 6-1993, point 1.2.159

**Amended Commission proposal:** OJ C 285, 21.10.1993; COM(93) 416; Bull. 9-1993, point 1.2.106

**Proposal subject to the co-decision procedure since 1 November 1993**

**Council agreement on a common position:** Bull. 12-1993, point 1.2.178

**Council common position:** OJ C 137, 19.5.1994; Bull. 3-1994, point 1.2.149

**Parliament amendments (second reading):** OJ C 205, 25.7.1994; Bull. 5-1994, point 1.2.124

**Commission opinion amending the proposal:** COM(94) 204; Bull. 5-1994, point 1.2.124

**Conciliation Committee meetings:** Bull. 9-1994, point 1.2.167; Bull. 10-1994, point 1.2.205

**Joint draft:** Bull. 11-1994, point 1.2.187

*Approved by Parliament on 14 December.*

OJ C 18, 23.1.1995

*Approved by the Council on 14 December.*

*Signed by Parliament and the Council on 20 December.* The aim of this Directive is to harmonize national measures concerning the management of packaging and packaging waste in order to reduce their effect on the environment, contribute to the smooth functioning of the internal market and avoid obstacles to trade and distortions of competition. In particular, it provides for the adoption by the Member States of measures aimed at preventing the production of waste packaging, for example, by promoting the reuse, recovery and recycling of packaging, for which the Directive lays down precise targets. It also contains provisions concerning the composition of packaging. Temporary exemptions are granted for Greece, Ireland and Portugal, Member States which have adopted programmes with targets which go beyond those laid down in the Directive and which will be allowed to continue to implement those programmes subject to certain conditions.

OJ L 365, 31.12.1994

*1.2.204.* Council Directive 94/67/EC on the incineration of hazardous waste.

**Reference:** Commission communication on a Community waste management strategy: Bull. 9-1989, points 1.1.1 to 1.1.10

**Commission proposal:** OJ C 130, 21.5.1992; COM(92) 9; Bull. 1/2-1992, point 1.3.149 and 3-1992, point 1.2.128

**Economic and Social Committee opinion:** OJ C 332, 16.12.1992; Bull. 10-1992, point 1.3.101

**Parliament opinion (first reading):** OJ C 115, 26.4.1993; Bull. 3-1993, point 1.2.99

**Amended Commission proposal:** OJ C 190, 14.7.1993; COM(93) 296; Bull. 6-1993, point 1.2.160

**Council agreement:** Bull. 6-1993, point 1.2.160

**Second Parliament opinion (first reading):** OJ C 91, 28.3.1994; Bull. 3-1994, point 1.2.151

**Council common position:** OJ C 232, 20.8.1994; Bull. 7/8-1994, point 1.2.157

**Parliament opinion (second reading):** OJ C 341, 5.12.1994; Bull. 11-1994, point 1.2.188

*Adopted by the Council on 16 December.* This Directive, which forms part of the Community waste management strategy, provides for measures and methods for preventing or reducing the adverse environmental impact, in particular air, soil, surface water and ground water pollution, and the resulting risks to human health, arising from the incineration of hazardous waste. To this end, it provides for the setting-up and maintenance of appropriate operating conditions and emission limit values for hazardous waste incineration plants within the Community. It also lays down strict conditions for the discharge of waste water resulting from the cleaning of exhaust gases and introduces restrictions on the incineration of hazardous waste in plants not intended primarily for that purpose.

OJ L 365, 31.12.1994

*1.2.205.* Council Decision 94/904/EC establishing a list of hazardous waste pursuant to Article 1(4) of Directive 91/689/EEC on hazardous waste.

**Basic Directive:** Council Directive 91/689/EEC: OJ L 377, 31.12.1991; Bull. 12-1991, point 1.2.304

**Commission proposal:** COM(94) 156; Bull. 9-1994, point 1.2.168

*Agreed by the Council on 15 December.*

*Adopted by the Council on 22 December.* Purpose: to establish the list of hazardous waste referred to in Directive 91/689/EEC.

OJ L 356, 31.12.1994

## Environmental quality and natural resources

### *Protection of water and coastal zones, environment and tourism*

1.2.206. Proposal for a Council Directive concerning the ecological quality of water.

**Commission proposal:** OJ C 222, 10.8.1994; COM(93) 680; Bull. 6-1994, point 1.2.179

*Endorsed by the Economic and Social Committee on 21 December* subject to comments concerning, in particular, the time limits for implementation and a cost-benefit analysis of the measures proposed.

### *Protection of nature, flora and fauna*

1.2.207. Commission Decision granting financial support for projects for the protection of habitats and nature.

**Basic Regulation:** Council Regulation (EEC) No 1973/92 establishing a financial instrument for the environment (LIFE): OJ C 206, 22.7.1992; Bull. 5-1992, point 1.1.123

*Adopted by the Commission on 14 December.* Purpose: to grant financial support totalling ECU 38 275 900 to projects for the protection of endangered habitats and species.

1.2.208. Convention on the Protection of the Alps.

**Recommendation for a Decision:** Bull. 3-1991, point 1.2.71

**Negotiating directives:** Bull. 5-1991, point 1.2.156

**Signature of the Convention:** Bull. 11-1991, point 1.2.185

**Commission proposal concerning the conclusion of the Convention:** OJ C 278, 5.10.1994; COM(94) 336; Bull. 9-1994, point 1.2.171

*Endorsed by Parliament on 16 December* subject to amendments concerning, in particular, the application of this Convention to the establishment of the trans-European networks.

OJ C 18, 23.1.1995

*Conclusion of the Convention agreed by the Council on 16 December.*

1.2.209. Protocols to the Convention on the Protection of the Alps.

**Recommendation for a Decision concerning the signature of the Protocols:** COM(94) 504; Bull. 11-1994, point 1.2.191

*Decision to sign the Protocols adopted by the Council on 16 December.*

Protocols signed in Chambéry (France) on 20 December.

### *Urban environment, air quality, transport and noise*

1.2.210. Council conclusions on the environment and transport.

*Adopted by the Council on 16 December.* The Council stressed the need to take greater account of environmental protection requirements in transport policy. In particular, it advocated transferring some particularly polluting road and air traffic to rail and waterways, developing public transport, setting limit values based on the best available technologies for motor vehicle emissions by the year 2000, and making use of fiscal instruments to encourage a reduction in CO<sub>2</sub> emissions and energy consumption in the transport sector. It also stressed the need to reduce the pollution caused by air transport, and considered it unjustified, on environmental grounds, to exempt air transport from indirect taxes.

1.2.211. European Parliament and Council Directive 94/63/EC on the control of volatile organic compound emissions resulting from the storage of petrol and its distribution from terminals to service stations.

**Commission proposal:** OJ C 227, 3.9.1992; COM(92) 277; Bull. 7/8-1992, point 1.3.157

**Economic and Social Committee opinion:** OJ C 73, 15.3.1993; Bull. 1/2-1993, point 1.2.160

**Parliament opinion (first reading):** OJ C 194, 19.7.1993; Bull. 6-1993, point 1.2.170

**Council agreement on a common position:** Bull. 6-1993, point 1.2.170

**Amended Commission proposal:** OJ C 270, 6.10.1993; COM(93) 422; Bull. 9-1993, point 1.2.109

**Council common position:** Bull. 10-1993, point 1.2.129

**Proposal subject to the co-decision procedure since 1 November 1993**

**Parliament amendments (second reading):** OJ C 91, 28.3.1994; Bull. 3-1994, point 1.2.154

**Commission opinion amending the proposal:** COM(94) 154; Bull. 5-1994, point 1.2.129

**Conciliation Committee meeting:** Bull. 9-1994, point 1.2.176

**Joint draft:** Bull. 11-1994, point 1.2.193

*Approved by Parliament on 14 December.*

OJ C 18, 23.1.1995

*Approved by the Council on 15 December.*

*Signed by Parliament and the Council on 20 December.* This Directive is the first stage in the Community strategy for reducing volatile organic compound emissions. It sets out the measures to be taken by the Member States to reduce the evaporation losses occurring at every stage in the petrol storage and distribution chain. Subject to certain conditions, it allows them to maintain or take more stringent measures in order to protect health or the environment.

OJ L 365, 31.12.1994

### *Global environment, climate change, geosphere and biosphere*

**1.2.212.** Council Regulation (EC) No 3093/94 on substances that deplete the ozone layer.

**Reference:** Council Decision 94/68/EC concerning the conclusion of the second amendment to the Montreal Protocol on substances that deplete the ozone layer: OJ L 33, 7.2.1994; Bull. 12-1993, point 1.2.181

**Commission proposal:** OJ C 232, 28.8.1993; COM(93) 202; Bull. 6-1993, point 1.2.173

**Economic and Social Committee opinion:** OJ C 52, 19.2.1994; Bull. 12-1993, point 1.2.182

**Parliament opinion (first reading):** OJ C 61, 28.2.1994; Bull. 1/2-1994, point 1.2.173

**Amended Commission proposal:** OJ C 109, 19.4.1994; COM(94) 75; Bull. 3-1994, point 1.2.156

**Council agreement on a common position:** Bull. 6-1994, point 1.2.187

**Council common position:** OJ C 301, 27.10.1994; Bull. 7/8-1994, point 1.2.159

**Parliament opinion (second reading):** OJ C 341, 5.12.1994; Bull. 11-1994, point 1.2.194

*Adopted by the Council on 15 December.* This Regulation concerns the implementation of the second amendment to the Montreal Protocol. In general, it introduces stricter standards than those provided for in the amendment, in particular for CFCs, HCFCs and methyl bromide. For HCFCs, it sets a consumption ceiling, from 1 January 1995, of 2.6% of the calculated level of consumption of CFCs and HCFCs in 1989,

and a reduction timetable beginning in 2004 and leading to a total phase-out by 2015.

For methyl bromide, it provides for a 25% reduction by 1998 and a production and consumption ceiling set at 1991 levels by 1 January 1995.

OJ L 333, 22.12.1994

**1.2.213.** Council conclusions on the Community strategy to reduce CO<sub>2</sub> emissions and to improve energy efficiency, including the CO<sub>2</sub>/energy tax.

**Reference:** Proposal for a Council Directive introducing a tax on carbon dioxide emissions and energy — OJ C 196, 3.8.1992; COM(92) 226; Bull. 5-1992, point 1.1.114 and 1/2-1993, point 1.2.162

*Adopted by the Council on 15 December.* The Council reiterated the need to stabilize CO<sub>2</sub> emissions in the Community as a whole at the 1990 level by the year 2000. While welcoming the CO<sub>2</sub> emission-reduction programmes submitted by the Member States and the various Community measures already taken in this connection, it considered that fiscal measures are needed, and called for a Community framework to be established to this end, to follow up the conclusions of the Essen European Council, on the following basis: the use of existing excise tax structures; the possibility of including other energy sources than CO<sub>2</sub> in the taxation; the possibility of phasing in the taxation; the creation of anticipatory effects (predetermined gradual increase in tax rates); the possibility of specific provisions (tax credit and offset schemes) for investment projects to reduce CO<sub>2</sub> emissions and improve energy efficiency; and the taking into account of the different situations in the Member States on the basis of objective criteria, in particular through specific arrangements. The Council also called upon the Commission to submit a strategy to reduce other greenhouse gases, in particular methane and nitrous oxide.

**1.2.214.** Council conclusions on the preparation of the First Conference of the Parties to the UN Framework Convention on Climate Change (Berlin, March-April 1995).

*Adopted by the Council on 15 December.* The Council takes the view that it is necessary to strengthen the commitments contained in the UN Framework Convention on Climate Change

aimed at gradually reducing emissions of CO<sub>2</sub> and other greenhouse gases by 2005 and 2010. To this end, it called upon the Commission to submit to it a set of options for the measures to be taken at European Union level.

## Nuclear safety

1.2.215. Proposal for a Council Regulation extending Regulation (EEC) No 737/90 on the conditions governing imports of agricultural products originating in third countries following the accident at the Chernobyl nuclear power station.

**Regulation to be extended:** Council Regulation (EEC) No 737/90: OJ L 82, 29.3.1990; Bull. 3-1990, point 1.1.90

*Adopted by the Commission on 13 December.* Purpose: to extend for five years the system for checking compliance with the maximum permitted levels of radioactivity in agricultural products imported into the Community as laid down in Regulation (EEC) No 737/90 following the accident at Chernobyl.

COM(94) 597

1.2.216. Council resolution on radioactive waste management.

**Reference:** Commission communication on a Community strategy for radioactive waste: COM (94) 66; Bull. 3-1994, point 1.2.157

*Adopted by the Council on 19 December.* The Council welcomed the fact that the Commission has submitted a communication on this subject. Taking the view that each Member State is responsible for ensuring that the radioactive waste produced on its territory is properly managed, it noted that there are possibilities for cooperation between Member States in this context. Among the appropriate management options, it mentioned in particular the recycling and re-use of materials and equipment with a low level of radioactive contamination, reduction in the volume and radiotoxicity of waste, establishment of suitable treatment, conditioning, storage and final disposal facilities, controls in relation to shipments between Member States and into and out of the Community, information for the public and the use of financial and economic instruments. Stressing the importance of research and

cooperation with various international bodies, it called upon the Commission to continue its work in this connection.

OJ C 379, 31.12.1994

## Social policy

1.2.217. Confirming that the European Union and its Member States were to continue to tackle unemployment and equal opportunities for men and women as matters of priority, the European Council identified five main employment-related areas for action: improving workers' employment prospects by promoting investment in vocational training; increasing the employment intensity of growth; reducing non-wage labour costs; making labour-market policies more effective and strengthening measures to help those hit hardest by unemployment, especially young people (→ point I.3).

## Implementation of the Protocol on Social Policy

1.2.218. Council resolution on prospects for a European Union social policy: a contribution to economic and social convergence in the Union.

**Reference:** Commission White Paper on European social policy: a way forward for the Union: COM(94) 333; Bull. 7/8-1994, point 1.2.163

*Adopted by the Council (labour and social affairs) on 6 December.* This is the first time that a resolution has been adopted in Council by only 11 members, within the framework of the Protocol on Social Policy.

Stressing that the Commission's White Paper represents an important contribution to the development of social policy in the Union, the Council lists some central objectives towards which such a policy could be directed:

- improving the competitiveness of the Union and increasing the opportunities for job-creating growth;
- protecting the rights of employees by means of minimum social standards;

- respecting the principles of subsidiarity and proportionality;
- promoting convergence rather than unification of national systems;
- strengthening the social dialogue;
- meshing of economic and social measures.

OJ C 368, 23.12.1994

*1.2.219.* Commission report on the demographic situation of the European Union in 1994.

*Adopted by the Commission on 13 December.* In this report, the first of its kind provided for by Article 7 of the Protocol on Social Policy, the Commission analyses the main demographic issues confronting the 12 Member States of the European Union: it looks at a specific 'European' demographic model, trends in age structures and the implications for social protection, the fragmentation of family structures, and migration flows.

COM(94) 595

## Working conditions

*1.2.220.* Parliament resolution on the social situation of agricultural workers in the European Union.

*Adopted by Parliament on 15 December.* Parliament stressed the need to defend the living and working conditions, acquired rights and wage levels of agricultural workers, and to assist and train such workers. It pointed out that agricultural workers' wages, which tended to be insufficient, needed to keep pace with those of workers in other sectors.

OJ C 18, 23.1.1995

## Equal opportunities

*1.2.221.* Resolution of the Council and of the representatives of the Governments of the Member States meeting within the Council on equal participation by women in an employment-intensive economic growth strategy within the European Union.

*Adopted by the Council and the representatives of the Governments of the Member States on*

*6 December.* The Council and the representatives of the Governments of the Member States confirmed that, if the internal market was to continue to develop dynamically and if new jobs were to be created, positive measures would have to be taken to promote equal opportunities for men and women. They set out a number of objectives, with a view to improving the flexibility of working hours, promoting a high level of skills among women, especially in the field of new technologies, facilitating the continued entry and re-entry of women into the labour market, and encouraging self-employment and the creation of businesses by women.

OJ C 368, 23.12.1994

*1.2.222.* Parliament resolution on the protection of families and the family unit at the close of the International Year of the Family.

*Adopted by Parliament on 14 December.* While noting that the prime responsibility for family policy lies with the Member States, Parliament called for the needs of the family to be taken into account in all Community measures. In the interest of promoting equal opportunities on the labour market, it emphasized the importance of measures to facilitate the upbringing of children (parental leave, part-time work). Parliament also underlined the need to adapt family-oriented law and policy to the changes occurring in the function and structure of the modern family, and advocated specific measures targeting single-parent families.

OJ C 18, 23.1.1995

## International cooperation

*1.2.223.* Commission communication to the Council and Parliament on the priorities of the European Union at the World Summit for Social Development (Copenhagen, March 1995) (→ point 1.3.148).

## Education, vocational training and youth

### General

*1.2.224.* Commission communication on recognition of qualifications for academic and professional purposes.



*Adopted by the Commission on 13 December.* In its communication, the Commission compares the various forms of recognition of qualifications for academic and professional purposes, and analyses their differences and similarities. Noting firstly that one fundamental objective underpins the two areas of recognition, viz. the elimination of obstacles to professional and student mobility arising from the co-existence of 12 national education systems, and secondly that the Community has a wealth of experience in these areas, the Commission intends to launch, in conjunction with the other Community institutions and interested academic and professional circles, a wide-ranging debate on the initiatives to be taken to encourage and develop interaction between the different forms of recognition of qualifications. With this in mind, the Commission has identified the following four principal areas for action: information, creation of academic and professional networks, jointly agreed adaptation of training and assessment of quality.

COM(94) 596

1.2.225. Council resolution on the promotion of education and training statistics (→ point 1.6.4).

## Cooperation in the field of education

1.2.226. Proposal for a Parliament and Council Decision establishing the Community action programme 'Socrates'.

**Commission proposal:** OJ C 66, 3.3.1994; COM (93) 708; Bull. 1/2-1994, point 1.2.184

**Parliament opinion (first reading):** OJ C 128, 9.5.1994; Bull. 4-1994, point 1.2.165

**Economic and Social Committee opinion:** OJ C 195, 18.7.1994; Bull. 4-1994, point 1.2.165

**Amended Commission proposal:** OJ C 164, 16.6.1994; COM(94) 180; Bull. 5-1994, point 1.2.137

**Committee of the Regions opinion:** OJ C 217, 6.8.1994; Bull. 5-1994, point 1.2.137

**Council agreement on a common position:** Bull. 6-1994, point 1.2.197

**Council common position:** OJ C 244, 31.8.1994; Bull. 7/8-1994, point 1.2.167

**Parliament amendments (second reading):** OJ C 323, 21.11.1994; Bull. 10-1994, point 1.2.113

**Commission opinion amending proposal:** COM(94) 502; Bull. 11-1994, point 1.2.204

*Conciliation Committee meeting held on 5 December.* Having failed to reach agreement on a

joint text, the Conciliation Committee agreed to meet again at a later date.

## Vocational training

1.2.227. Council Decision 94/819/EC establishing an action programme for the implementation of a European Community vocational training policy 'Leonardo da Vinci'.

### References:

Council Decision 87/569/EEC concerning an action programme for the vocational training of young people and their preparation for adult and working life (PETRA): OJ L 346, 10.12.1987; Bull. 12-1987, point 2.1.143

Council Decision 89/27/EEC adopting the second phase of the programme on cooperation between universities and industry regarding training in the field of technology (Comett II): OJ L 13, 17.1.1989; Bull. 12-1988, point 2.1.159

Council Decision 89/489/EEC establishing an action programme to promote foreign language competence in the European Community (Lingua): OJ L 239, 16.8.1989; Bull. 7/8-1989, point 2.1.113

Council Decision 89/657/EEC establishing an action programme to promote innovation in the field of vocational training resulting from technological change in the European Community (Eurotecnet): OJ L 393, 31.12.1989; Bull. 12-1989, point 2.1.128

Decision 90/267/EEC establishing an action programme for the development of continuing vocational training in the European Community (FORCE): OJ L 156, 21.6.1990; Bull. 5-1990, point 1.2.62

**Commission proposal:** OJ C 67, 4.3.1994; COM (93) 686; Bull. 12-1993, point 1.2.113

**Economic and Social Committee opinion:** OJ C 148, 30.5.1994; Bull. 3-1994, point 1.2.169

**Parliament opinion (first reading):** OJ C 205, 25.7.1994; Bull. 5-1994, point 1.2.138

**Amended Commission proposal:** OJ C 176, 29.6.1994; COM(94) 215; Bull. 5-1994, point 1.2.138

**Council agreement on a common position:** Bull. 6-1994, point 1.2.198

**Council common position:** OJ C 244, 31.8.1994; Bull. 7/8-1994, point 1.2.169

**Parliament opinion (second reading):** OJ C 323, 21.11.1994; Bull. 10-1994, point 1.2.114

**Re-examined Commission proposal:** COM(94) 497; Bull. 11-1994, point 1.2.205

*Adopted by the Council (social affairs) on 6 December.* This five-year programme, covered

by a budget amounting to some ECU 620 million, is designed to implement the Community's vocational training policy provided for by Article 127 of the EEC Treaty, supporting and supplementing the action of the Member States. It will provide a consistent framework for sustaining innovation and quality in vocational training from 1 January 1995 onwards, enabling an appropriate transition to be made in connection with initiatives developed under the Comett, PETRA, FORCE, Eurotecnet and Lingua programmes; support will be provided for innovative measures with a pan-European dimension entailing a transnational, partnership-based, horizontal approach giving tangible results, within the following three categories:

□ devising, developing and testing transnational pilot projects, with the emphasis on common training modules, adaptation of methods, training of instructors, anticipation of requirements and linguistic skills;

□ implementation of placement and exchange programmes enabling different groups (young people undergoing initial training, young people in further education or human resources officers) to undertake part of their training in another Member State, and providing instructors and training specialists with opportunities to improve the quality of their work through exchanges;

□ development of knowledge in the field of vocational training through surveys and analyses carried out on a Community-wide basis, focusing particularly on the anticipation of requirements, the transparency of qualifications, new types of apprenticeship and training courses, quality, investment in training, incentives to provide training and statistics on available courses, funding and the beneficiaries.

The programme also offers fresh opportunities for transnational cooperation between all those involved in vocational training, enabling them to contribute to enhancing the quality and innovative capacity of vocational training systems and activities in the Community. It is, moreover, open to the associated countries of Central and Eastern Europe, and to Cyprus and Malta.

OJ L 340, 29.12.1994

1.2.228. Council resolution on the quality and attractiveness of vocational education and training.

*Adopted by the Council (education) on 5 December.* Having regard to the increasing cross-fertilization between general education and vocational training, and the contribution which they can make to economic growth, the Council considers it necessary to reinforce the quality and attractiveness of vocational education and training so as to satisfy the needs and aspirations of all young people and adults. In this connection, it calls on the Member States to increase their efforts at both national and Community level to improve the quality and attractiveness of vocational training and, in particular, to endeavour to secure the participation of undertakings in the training of young people. The Council also asks the Commission to give lasting support to the efforts of the Member States and the social partners with a view to achieving these goals and promoting dialogue on these matters within the European Union.

OJ C 374, 30.12.1994

## Foreign language learning

1.2.229. Report of activities (1989-93) concerning the lesser used languages of the European Union.

*Adopted by the Commission on 15 December.* Activities undertaken by the Commission in respect of lesser used languages over the period from 1989 to 1993 have covered around 40 autochthonous regional or minority language communities in the European Union, with particular reference to the fields of education, information, publishing, culture, research and the media. A number of projects have been financed over the period in question, with the budget rising from ECU 1 million to ECU 3.5 million.

COM(94) 602

## Youth

1.2.230. Proposal for a Parliament and Council Decision adopting the 'Youth for Europe III' programme designed to promote the development of exchanges among young people and of youth activities in the Community.

**Commission proposal:** OJ C 160, 11.6.1994; COM(93) 523; Bull. 11-1993, point 1.2.81

**Economic and Social Committee opinion:** OJ C 148, 30.5.1994; Bull. 3-1994, point 1.2.170

**Parliament opinion (first reading):** OJ C 128, 9.5.1994; Bull. 4-1994, point 1.2.167

**Amended Commission proposal:** OJ C 170, 23.6.1994; COM(94) 186; Bull. 5-1994, point 1.2.141

**Committee of the Regions opinion:** OJ C 217, 6.8.1994; Bull. 5-1994, point 1.2.141

**Council agreement on a common position:** Bull. 6-1994, point 1.2.199

**Council common position:** OJ C 232, 20.8.1994; Bull. 7/8-1994, point 1.2.171

**Parliament amendments (second reading):** OJ C 323, 21.11.1994; Bull. 10-1994, point 1.2.116

**Commission opinion amending proposal:** COM(94) 490; Bull. 11-1994, point 1.2.208

*Conciliation Committee meeting held on 5 December.* Having failed to reach agreement on a joint text, the Conciliation Committee agreed to meet again at a later date.

## Public health and solidarity

*1.2.231.* The European Council expressed solidarity with those bereaved by the loss of the *Estonia* and with the victims of the recent natural disasters in Italy, France and Greece (→ point I.34).

## Public health

### *Blood and blood products*

*1.2.232.* Commission communication on blood safety and self-sufficiency in the European Community.

**Reference:** Council conclusions on self-sufficiency in blood in the European Community: OJ C 15, 18.1.1994; Bull. 12-1993, point 1.2.259

*Adopted on 21 December.* In its communication, produced in response to a request from the Council, the Commission presents an inventory of the legal provisions and current practices regarding the collection, testing and treatment of blood and the distribution of and trade in blood and blood products, and examines action taken at national and Community level to promote

Community self-sufficiency in blood and blood products. With a view to formulating a Community strategy for ensuring the safety of the blood transfusion chain and promoting Community self-sufficiency based on cooperation with the Member States, the Commission also makes a number of suggestions including the development of scientifically sound policies and agreed procedures for blood collection in the Community, the implementation of efficient and reliable screening tests, the development of quality assessment criteria and good practices for the collection, testing and transfusion of blood, the establishment of a system for the collection of epidemiological data and the provision of support for information programmes.

COM(94) 652

## *Cancer*

*1.2.233.* Commission report on the execution of the 'Europe against Cancer' programme in 1993.

**Reference:** Council Decision 90/238/EEC adopting a 1990-94 action plan in the context of the 'Europe against Cancer' programme: OJ L 137, 30.5.1990; Bull. 5-1990, point 1.2.235

**Previous report:** COM(93) 93; Bull. 3-1993, point 1.2.151

*Adopted on 5 December.* This report on execution of the 'Europe against Cancer' programme from 1 January 1993 to 31 March 1994 summarizes the main initiatives taken in each of the 38 fields of activity relating to prevention, screening and treatment, health education, training for health professionals and medical research. In all, 275 projects received grants totalling over ECU 10 million and action under the programme was pursued in close cooperation with the national partners through the exchange networks set up in 1991 and 1992.

COM(94) 550

## *AIDS*

*1.2.234.* Council and Parliament Decision concerning the extension of the 'Europe against AIDS' programme.

**Decision extended:** Decision 91/317/EEC adopting a plan of action in the framework of the 1991-93 'Europe against AIDS' programme: OJ L 175, 4.7.1991; Bull. 6-1991, point 1.2.215

**Commission proposal:** COM(93) 453; Bull. 9-1993, point 1.2.140

**Proposal subject to the co-decision procedure since 1 November 1993**

**Parliament opinion (first reading):** OJ C 20, 24.1.1994; Bull. 12-1993, point 1.2.258

**Economic and Social Committee opinion:** OJ C 133, 16.5.1994; Bull. 1/2-1994, point 1.2.188

**Committee of the Regions opinion:** OJ C 217, 6.8.1994; Bull. 5-1994, point 1.2.143

**Council common position:** OJ C 213, 3.8.1994; Bull. 6-1994, point 1.2.203

**Parliament amendment (second reading):** OJ C 341, 5.12.1994; Bull. 11-1994, point 1.2.214

*Endorsed by the Commission on 21 December.*  
COM(94) 644

*Approved by the Council (health) on 22 December.* The Council agreed to Parliament's amendment to its common position deleting the reference to a predetermined financial contribution.

*Signed by Parliament and the Council on 22 December.* The purpose of the Decision is to extend the 'Europe against AIDS' programme until the end of 1995.

## Drugs

1.2.235. Council Regulation (EC) No 3294/94 amending Regulation (EEC) No 302/93 on the establishment of a European Monitoring Centre for Drugs and Drug Addiction.

**Amended Regulation:** Regulation No 302/93 on the establishment of a European Monitoring Centre for Drugs and Drug Addiction: OJ L 36, 12.2.1993; Bull. 1/2-1993, point 1.2.207

**Commission proposal:** OJ C 225, 20.8.1993; COM(93) 299; Bull. 7/8-1993, point 1.2.191

**Parliament opinion:** OJ C 61, 28.2.1994; Bull. 1/2-1994, point 1.2.189

*Adopted on 22 December.* The purpose of the amendment is to enable the European Monitoring Centre for Drugs and Drug Addiction to adopt its own internal financial rules after consulting the Court of Auditors.

OJ L 341, 30.12.1994

## Solidarity

### *Measures to help the disabled*

1.2.236. Council Decision 94/782/EC concerning the continuance of the Handynet system in the framework of the activities undertaken to date on the first technical aids module.

**Reference:** Council Decision 93/136/EEC establishing a third Community action programme to assist disabled people (Helios II (1993-96)): OJ L 56, 9.3.1993; Bull. 1/2-1993, point 1.2.208

**Commission proposal:** OJ C 222, 10.8.1994; COM(94) 303; Bull. 7/8-1994, point 1.2.175

**Economic and Social Committee opinion:** Bull. 11-1994, point 1.2.218

**Parliament opinion:** OJ C 363, 19.12.1994; Bull. 11-1994, point 1.2.218

*Adopted on 6 December.* The Council has decided to continue the first technical aids module of the Handynet computerized information and documentation system of the Helios II programme for the period 1 January 1995 to 31 December 1996. This first module consists of three parts: the electronic mail system, the electronic newspaper and the multilingual databank.

OJ L 316, 9.12.1994

### *Measures to help disaster victims*

1.2.237. Commission decision to grant emergency aid to flood victims in Italy.

**Previous decision:** Bull. 11-1994, point 1.2.220

*Adopted on 7 December.* The Commission decided to grant a second tranche of aid amounting to ECU 5 million to the victims of the floods in north-west Italy.

1.2.238. Commission decision to grant emergency aid to flood victims in Scotland.

*Adopted on 21 December.* The Commission decided to grant ECU 500 000 to the victims of the floods in Scotland.

## Consumers

### Consumer information and education

1.2.239. Proposal for a Parliament and Council Directive amending Council Directive 79/581/EEC on consumer protection in the indication of the prices of foodstuffs as amended by Directive 88/315/EEC and Council Directive 88/314/EEC on consumer protection in the indication of the prices of non-food products.

**Commission approval:** Bull. 11-1994, point 1.2.222

*Formally adopted by the Commission on 6 December.*

OJ C 377, 31.12.1994; COM(94) 431

## Protection of consumers' health and safety

*1.2.240.* Parliament and Council Decision 3092/94/EC introducing a Community system of information on home and leisure accidents (Ehlass).

**Commission proposal:** OJ C 104, 12.4.1994; COM(94) 17; Bull. 1/2-1994, point 1.2.195

**Economic and Social Committee opinion:** OJ C 195, 18.7.1994; Bull. 4-1994, point 1.2.174

**Parliament opinion (first reading):** OJ C 205, 25.7.1994; Bull. 5-1994, point 1.2.147

**Amended Commission proposal:** OJ C 157, 8.6.1994; COM(94) 192; Bull. 5-1994, point 1.2.147

**Council agreement on a common position:** Bull. 5-1994, point 1.2.147

**Common position:** OJ C 244, 31.8.1994; Bull. 7/8-1994, point 1.2.177

**Parliament approval (second reading):** OJ C 323, 21.11.1994; Bull. 10-1994, point 1.2.125

**Council approval:** Bull. 10-1994, point 1.2.125

*Signed by Parliament and the Council on 7 December.*

OJ L 331, 21.12.1994

## Culture

*1.2.241.* 1994 Aristeion Prizes.

*Presented in Lisbon on 2 December.* At the awards ceremony, attended by Mr Pinheiro, Member of the Commission, the Aristeion Prizes, each worth ECU 20 000, were presented to the author Juan Marsé for *El embrujo de Shangai* and to the translator Giovanni Raboni for *Al ricerca del tempo perduto*. The aim of this Community initiative is to improve the knowledge and dissemination of literary works and to reward authors and translators who have made a

significant contribution to contemporary European literature.

*1.2.242.* Report *European cities of culture and European cultural months*.

**Reference:** Opening ceremony *Lisbon 1994* — *European city of culture*: Bull. 1/2-1994, point 1.2.196

*Presented in Lisbon on 17 December* on the occasion of the ceremony held to mark the end of the events organized as part of *Lisbon 1994* — *European city of culture*. The report assesses the experiences and programmes to date and examines the organization, cost, sources of finance, artistic events, social impact and economic importance of both operations.

Available from the European Commission (DG X), 200 rue de la Loi, B-1049, Brussels.

## Information, communication and audiovisual media

### Audiovisual policy

#### *Technological aspects*

*1.2.243.* Proposal for a Council and Parliament Directive on the use of standards for the transmission of television signals (including repeal of Council Directive 92/38/EC).

**Commission proposal:** OJ C 341, 18.12.1993; COM(93) 556; Bull. 11-1993, point 1.2.200

**Economic and Social Committee opinion:** OJ C 148, 30.5.1994; Bull. 3-1994, point 1.2.180

**Parliament opinion (first reading):** OJ C 128, 9.5.1994; Bull. 4-1994, point 1.2.180

**Amended Commission proposal:** OJ C 321, 18.11.1994; COM(94) 455; Bull. 10-1994, point 1.2.134

**Council agreement on a common position:** Bull. 11-1994, point 1.2.228

*Common position adopted by the Council on 22 December.*

### 3. Role of the Union in the world

#### Common foreign and security policy

1.3.1. The European Council reaffirmed the European Union's commitment to the goals of universality and indefinite and unconditional extension of the Treaty on the non-proliferation of nuclear weapons (→ point I.21).

#### Joint action by the European Union

##### *Dual-use goods*

1.3.2. Council Decision 94/942/CFSP on the joint action adopted on the basis of Article J.3 of the Treaty on European Union concerning the control of exports of dual-use goods.

*Adopted by the Council on 19 December.* The Decision, which will take effect from 1 March 1995 and is linked with Regulation (EC) No 3381/94 (→ point 1.3.128), provides for the establishment of a common system for the control of exports of dual-use goods (goods which can be used for both civil and military purposes) to non-EU countries. A list of such goods is annexed to the Decision.

OJ L 367, 31.12.1994

##### *Bosnia-Herzegovina*

#### Support for the transport of humanitarian aid

1.3.3. Council Decision 94/789/CFSP extending the application of Decision 93/603/CFSP concerning the joint action decided on by the Council on the basis of Article J.3 of the Treaty on European Union on support for the conveying of humanitarian aid in Bosnia and Herzegovina.

**Decision extended:** Council Decision 93/603/CFSP (OJ L 286, 20.11.1993; Bull. 11-1993, point 1.4.1), supplemented by Council Decision

93/729/CFSP (OJ L 339, 31.12.1993; Bull. 12-1993, point 1.4.5), extended by Council Decision 94/158/CFSP (OJ L 70, 12.3.1994; Bull. 3-1994, point 1.3.7) and by Council Decision 94/308/CFSP (OJ L 134, 30.5.1994; Bull. 5-1994, point 1.3.3), as last supplemented by Council Decision 94/510/CFSP: OJ L 205, 8.8.1994; Bull. 7/8-1994, point 1.3.1

*Adopted by the Council on 12 December.* The purpose of the Decision is to extend the application of Decision 93/603/CFSP until 31 December 1995.

OJ L 326, 17.12.1994

#### Administration of the town of Mostar

1.3.4. Council Decision 94/790/CFSP concerning the joint action, adopted by the Council on the basis of Article J.3 of the Treaty on European Union, on continued support for European Union administration of the town of Mostar.

##### **References:**

Council Decision 93/603/CFSP (OJ L 286, 20.11.1993; Bull. 11-1993, point 1.4.1), supplemented by Council Decision 93/729/CFSP (OJ L 339, 31.12.1993; Bull. 12-1993, point 1.4.5), extended by Council Decision 94/158/CFSP (OJ L 70, 12.3.1994; Bull. 3-1994, point 1.3.7) and by Council Decision 94/308/CFSP (OJ L 134, 30.5.1994; Bull. 5-1994, point 1.3.3), as last supplemented by Council Decision 94/510/CFSP: OJ L 205, 8.8.1994; Bull. 7/8-1994, point 1.3.1

Memorandum of understanding on the administration of Mostar: Bull. 7/8-1994, point 1.3.2

Draft Council Decision on joint action on continuing support for European Union administration of the town of Mostar in 1995: Bull. 10-1994, point 1.3.2

Commission decision on funding: point 1.3.60 of this Bulletin

*Adopted by the Council on 12 December.* The purpose of the Decision is to ensure continued financing of the joint action in Mostar for 1995. At this juncture an amount of ECU 20 million has been made available from the 1994 Community budget.

OJ L 326, 17.12.1994

## Presidency statements on behalf of the European Union and European Council declarations

1.3.5. The presidency statements and European Council declarations published in December are set out below.

### *Kaliningrad*

1.3.6. The following presidency statement on behalf of the European Union concerning the negotiations between Lithuania and Russia on military transit to and from Kaliningrad was published in Brussels and Bonn on 22 December:

'The European Union has expressed its concern to the Lithuanian and Russian Governments regarding the still unsolved question of military transit to and from Kaliningrad. The European Union considers the early conclusion of an agreement between Lithuania and Russia on military transit taking into consideration the interests of the parties concerned to be of great importance for regional security and stability. Such an agreement would not affect the process of Lithuania's rapprochement with the European Union, but contribute to further stabilization of Lithuanian-Russian relations and thus to stability in the whole Baltic Sea region. The EU has called upon both sides to show flexibility and to solve remaining questions in the spirit of good neighbourhood and through constructive dialogue.

The acceding countries Austria, Finland and Sweden associate themselves with this statement.'

### *Laguna del Desierto*

1.3.7. The following presidency statement on behalf of the European Union concerning the peaceful settlement of the Chilean-Argentine border dispute regarding the Laguna del Desierto was published in Brussels and Bonn on 12 December:

'The European Union is following with great satisfaction the evolution of Latin America into a region of peace, cooperation and integration. It is gratified to note the increasingly successful efforts to settle, by peaceful means, long-standing border disputes.

In this connection, it congratulates Argentina and Chile on the progress they have made in peacefully resolving border disputes, thereby opening the way to ever-wider cooperation between them. The decision by both governments to abide by the arbitration ruling

to which they had submitted themselves in the Laguna del Desierto case is consistent with this exemplary policy. It is given full support by the European Union.

Austria, Finland and Sweden as acceding states associate themselves with this statement.'

### *Namibia*

1.3.8. The following presidency statement on behalf of the European Union was published in Brussels, Bonn and Windhoek on 14 December:

'The European Union welcomes the efficient and orderly conduct of the first general and presidential elections in the Republic of Namibia on 7 and 8 December 1994. It considers that the country, its electorate and all political parties have demonstrated a remarkable degree of democratic maturity.

The result can be seen as a clear mandate to continue the successful policy of national reconciliation.

The EU encourages all political forces to cooperate to improve the economic and social well-being of all Namibians, guided by a spirit of nation-building in which national interests prevail over those of individuals or particular groups.

The EU has made a considerable contribution to the elections and to voters' education, which emphasizes the importance it attaches to the democratic process in Namibia, both for the interest of the Namibian people and as a model for other African countries.

The acceding countries Austria, Finland and Sweden associate themselves with this statement.'

### *Non-proliferation Treaty*

1.3.9. The following presidency statement on behalf of the European Union concerning Ukraine's accession to the Treaty on the non-proliferation of nuclear weapons was published in Brussels and Bonn on 8 December:

**Reference:** Presidency statement on the Ukrainian parliament decision regarding accession to the Non-Proliferation Treaty; Bull. 11-1994, point 1.3.16

'The European Union strongly welcomes the accession of Ukraine to the Treaty on the non-proliferation of nuclear weapons as a non-nuclear-weapons State on 5 December 1994. They acknowledge the speedy implementation of Ukraine's commitment to become a State free of nuclear weapons.

The European Union is convinced that this important step will prepare the path for the full implementation of the START Treaties and the continuation of the nuclear disarmament process.

The European Union calls upon Ukraine to conclude as soon as possible a full-scope safeguards agreement with the IAEA according to Article III of the NPT.

The European Union calls upon all other States still outside the NPT to accede to this Treaty as soon as possible. They have taken note of the remaining CIS countries' pledge to do so.

The European Union reiterates its wish for indefinite and unconditional extension of the NPT and calls upon all States party to the Treaty to endorse the same goal. It therefore welcomes the commitment of all CSCE members to this goal.

The acceding countries Austria, Sweden and Finland associate themselves with this statement.

The Central and East European countries associated with the Union align themselves with this statement.'

## *Turkey*

1.3.10. The following presidency press statement on behalf of the European Union was published in Brussels and Bonn on 9 December:

'The European Union has taken note with concern of the sentences announced today by the Court of State Security in Ankara, against eight former members of the Great Turkish National Assembly. Governments of Member States of the European Union have on various occasions firmly expressed their preoccupation in view of measures taken by the Turkish authorities against freely elected members of parliament. The European Union regrets that the trial has ended with sentences, condemning a number of the defendants to long-term imprisonment. The Presidency of the European Union is seeking further detailed information from the competent Turkish authorities regarding the exact reasons given by the Court for these sentences. The European Union, in considering the matter, is also starting from the assumption that the verdicts are subject to possible revision in the Court of Appeal.

The acceding countries Austria, Finland and Sweden associate themselves with this statement.'

## *Former Yugoslavia*

1.3.11. The following declaration adopted at the European Council meeting in Essen was published in Brussels and Bonn on 10 December:

'The European Council is alarmed by the renewed intensification of the conflict in Bosnia-Herzegovina and condemns the violation of the safe area of Bihac by the Bosnian Serb forces and of the international border by the Krajina Serb forces.

The European Council insists on an immediate ceasefire in and around the safe area of Bihac and on the withdrawal of the Bosnian Serb and the Krajina Serb forces from this area, to be followed by a cessation of hostilities throughout Bosnia-Herzegovina.

The European Council is outraged at the human suffering which has already been inflicted on the population of Bosnia-Herzegovina and which can only increase with the onset of another winter. It demands the immediate removal of all obstacles to the delivery of humanitarian assistance and calls on all parties to ensure that it reaches the suffering people. It is intolerable that the denial of humanitarian assistance should be used as a weapon of war.

The European Council expresses its full support for Unprofor and its commanders and the ongoing efforts to bring about a ceasefire. It calls on the parties, in particular the Bosnian Serb forces, to allow Unprofor freedom of movement and to enable it to continue its work without undue risk.

Unprofor should continue its crucial mission of providing humanitarian assistance and saving human life. If it were obliged to withdraw because of the impossibility of fulfilling its mandate, the implications for Bosnia and its civilian population would be severe.

The European Council reiterates its full support for strict enforcement of the relevant UN Security Council resolutions and decisions taken in pursuance of them.

The European Council endorses the results of the ministerial meeting of 2 December in Brussels. Peace can only be brought about through a negotiated settlement. Bosnian Serbs must accept the peace plan for Bosnia-Herzegovina presented to the parties by the Contact Group, as the basis for a settlement which provides for a viable and reasonable solution for all parties. The European Council recalls that the territorial proposal can be adjusted by mutual agreement between the parties and that constitutional arrangements agreeable to the parties will need to be drawn up which preserve the integrity of Bosnia-Herzegovina and allow equitable and balanced arrangements for the Bosnian Croat and Bosnian Serb entities.

The European Council underlines the necessity for the effective internationally verified closure of the border between the Federal Republic of Yugoslavia (Serbia and Montenegro) and Bosnia-Herzegovina and to that end attaches importance to the urgent reinforcement of the ICFY mission.

The European Council calls for the early and full implementation of the economic agreement between the Government of the Republic of Croatia and the Krajina Serb authorities. It urges the parties to negotiate constructively on the international plan for the UN protected areas, once finalized, and the authorities of the Federal Republic of Yugoslavia (Serbia and Montenegro) to support this process.



The European Council stressed the necessity of early mutual recognition between all States of the former Yugoslavia within their internationally recognized borders. This is essential for the future stability of the region.'

## Enlargement

### EFTA countries

1.3.12. Draft Council Decision adjusting the instruments concerning the accession of new Member States to the European Union; draft Council Decision determining the order in which the office of President shall be held; draft Decision amending the Council Decision of 28 March 1994 concerning the taking of decisions by qualified majority by the Council; draft joint declaration on Article 31 of the Decision adjusting the instruments concerning the accession of new Member States to the European Union.

#### References:

Council Decision concerning the taking of decisions by qualified majority by the Council: Bull. 3-1994, point 1.3.27

Treaty concerning the accession of Norway, Austria, Finland and Sweden: OJ C 241, 29.8.1994; Bull. 6-1994, point 1.3.15

Result of the Norwegian referendum: Bull. 11-1994, point 1.3.19

*Agreed by the Council on 19 December.* Their purpose is to make the necessary adjustments to the Accession Treaty as a result of Norway's decision not to accede to the European Union.

## European Economic Area (EEA), European Free Trade Association (EFTA)

### European Economic Area

**Reference:** Agreement establishing the European Economic Area — Bull. 1/2-1994, point 1.3.27

1.3.13. Commission communication to the

Council on the entry into force of the EEA Agreement for Liechtenstein.

*Adopted by the Commission on 7 December.* The communication outlines the adjustments that the Commission regards as necessary to enable Liechtenstein to become a member of the EEA and calls on the Council to give its assent to the entry into force of the EEA for Liechtenstein on the basis of such adjustments. As a result of the negative result of the referendum held in Switzerland on the country's membership of the EEA, an Adjusting Protocol was adopted amending the Agreement to reflect the new situation. Among other things, the Protocol provides for the EEA agreement to enter into force for Liechtenstein on a date to be determined provided that the good functioning of the EEA Agreement is not impaired and that the EEA Council has taken the necessary decisions to allow the EEA to enter into force for the Principality.

1.3.14. EEA Council.

**Previous meeting:** Bull. 5-1994, point 1.3.22

*Second meeting held in Brussels on 20 December.* At the meeting, which was chaired by Mr Jón Baldvin Hannibalson, Iceland's Minister for Foreign Affairs and Foreign Trade and President of the EEA Council, the European Union delegation was headed by Mr Werner Hoyer, the German Minister of State for Foreign Affairs, and the Commission was represented by Mr Van den Broek.

The Council reached an agreement on the substance of the adjustments to the EEA Treaty needed to enable Liechtenstein to become a full member of the EEA. It also reaffirmed its commitment to the EEA Agreement and to its institutional structure as a framework for future relations between the partners concerned.

## Central and Eastern Europe and the independent States of the former Soviet Union

1.3.15. The European Council adopted an overall strategy to forge closer links between the associated countries of Central and Eastern Eu-

rope and the European Union, focusing on preparing the countries in question to become part of the internal market and on establishing structured political relations. It called for Europe Agreements to be rapidly concluded with the Baltic States and Slovenia, in order to incorporate them into the strategy, and stressed its intention to make full use of the Partnership and Cooperation Agreements with Russia and Ukraine to further the European Union's relations with the two countries (→ point I.13 and points I.39 to I.54).

## Central and Eastern Europe

### *Assistance for Central and Eastern Europe*

#### **Opening-up of Community programmes to the associated countries of Central and Eastern Europe**

*1.3.16.* Draft Additional Protocols to the Europe Agreements between the European Community and Euratom and Bulgaria, Hungary, Poland, the Slovak Republic, the Czech Republic and Romania enabling Community programmes to be opened up to the associated countries of Central and Eastern Europe.

**Commission recommendation:** Bull. 5-1994, point 1.3.28

**Negotiating directives:** Bull. 7/8-1994, point 1.3.31

*Proposals for Council and Commission Decisions (EC and Euratom) regarding conclusion of the Additional Protocols adopted by the Commission on 13 December.* The draft Additional Protocols are intended to enable the associated countries of Central and Eastern Europe to become involved in Community programmes in fields such as research and technological development, the environment, education, welfare and health policy, small and medium-sized enterprises, culture, energy and transport in order to facilitate their integration with the European Union.

COM(94)599

#### **Financial assistance**

*1.3.17.* Council Decision providing macrofinancial assistance for the Slovak Republic.

**Commission proposal:** OJ C 302, 28.10.1994; COM(94) 410; Bull. 10-1994, point 1.3.26

*Agreed by the Council on 5 December.*

*Endorsed by Parliament on 15 December, subject to some procedural amendments.*

OJ C 18, 23.1.1995

*Adopted by the Council on 22 December.* The Council Decision grants ECU 130 million of macrofinancial assistance to help Slovakia improve its balance of payments and bolster its reserves. The assistance will take the form of a loan spanning a maximum of seven years. It will be released in two tranches and will be subject to continuation of the process of reform agreed with the IMF and backed by the G24.

#### **Technical assistance**

**Reference:** Council Regulation (EEC) No 3906/89 on economic aid for certain countries of Central and Eastern Europe (PHARE programme) (OJ L 375, 23.12.1989; Bull. 12-1989, point 2.2.25), as last amended by Regulation (EEC) No 1764/93: OJ L 162, 3.7.1993; Bull. 6-1993, point 1.3.13

*1.3.18.* Third annual Commission report on the implementation of the PHARE programme (1992).

**Previous report:** COM(93) 172; Bull. 5-1993, point 1.3.7

*Adopted on 12 December.* In the report the Commission sets out the general background to assistance for Central and Eastern Europe, gives details of economic aid, regional cooperation and humanitarian aid and summarizes the state of progress of reform and the programme's impact in the recipient countries in 1992.

Apart from bringing the extension of PHARE to Albania, Estonia, Latvia, Lithuania and Slovenia, 1992 saw the Commission focus, as it had done in 1991, on its central aim of contributing to the process of economic reform, structural adjustment and sustainable development by turning a centralized economy into one based on market forces. In the interests of increasing the effectiveness of the aid, a number of areas of particular significance to the reform process were singled out. These included the restructuring and privatization of enterprises, development of the private sector, modernization of the financial system, development of the labour-market and welfare. Development of a market

economy was also promoted by providing technical and financial assistance for priority areas such as energy, the environment, infrastructure, health care, human resources, training and agriculture.

In 1992, 96 financing decisions (totalling ECU 1 015 million) were adopted under the PHARE budget. The bulk of the allocations were for national sectoral programmes, multidisciplinary schemes and humanitarian aid to tackle the growing economic difficulties of the countries involved. Greater attention was also paid to stepping up regional cooperation by financing programmes of regional significance.

COM(94) 577

### 1.3.19. Financing of projects.

Commission financing decisions were adopted to contribute to the following projects (see Table 12).

Table 12 — *Projects for which aid has been granted*

<i>(million ECU)</i>		
Country	Description	Amount
All PHARE countries	Regional statistical cooperation programme	1
	Programme of support for small and medium-sized businesses	13
	Regional statistical coordination programme	17
	Vocational training programme (Tempus)	2.6
	Vocational training programme (Turin Foundation)	1
	Programme to encourage competitiveness	2
	Programme to develop animal health diagnosis	6
	Management assistance programme for businesses being restructured	6
Various countries	Programme to develop transport	3
	Health programme	7
Bulgaria	Programme for emergency repairs to schools and prisons	7
	Environmental protection programme	4.2
	Programme to develop civil society	1.2
	Privatization programme	3
	Business information programme (Euro-Info)	1.2
	Telecommunications development programme	3
	Energy support programme	3.4
	Nuclear safety programme	5
	Regional nuclear safety programme	20
Estonia	Environmental pollution control programme	2.5
	Education and training programme	3
	Cross-border cooperation programme	3
Hungary	Transport infrastructure development	18
	Programme to promote education and the economy	8
	Water supply programme	3
Latvia	Customs and transport support programme	2.5
	Statistics development programme	1.5
	Programme to improve water quality in rural areas	2.5
	Education and training programme	3
Lithuania	Cross-border cooperation programme	3
	Customs programme	1
	Statistics development programme	1
	Cross-border cooperation programme	5

## Central and Eastern Europe and the independent States of the former Soviet Union

<i>(million ECU)</i>			<i>(million ECU)</i>		
Country	Description	Amount	Country	Description	Amount
Former Yugoslav Republic of Macedonia	Programme of support for education and training	4	Czech Republic	Public service support programme	4
	Humanitarian assistance programme	23		Social security reform programme	2
Poland	Programme to develop transport infrastructure	35		Labour market development programme	3.5
	Programme to help the banking sector	20		General technical assistance programme	5
	Worker protection programme	5		Labour market development programme	6
	Programme for setting up a municipal development agency	4	Social security reform programme	6	
	Cross-border cooperation programme	3.8	Programme to help the training fund	2	
	Environment and forestry programme	12	Public service support programme	9	
	General technical assistance programme	13.5	Romania	Education programme	25
	Programme of support for industry and the energy sector	9	Programme to help small and medium-sized businesses and regional development	18.4	
	Restructuring programme	2	Programme to develop tourism	5	
	Programme to develop civil society	2	Public service support programme	5	
	Local development and training programme	4	Programme to develop civil society	5	
	Programme for the development of centralized data processing systems	2	Programme to develop the private sector and the financial system	5	
	Agricultural statistics development programme	2.5	Slovenia	Programme to reform the vocational training system	3
Vocational training development programme	4	Programme to help the environment and the energy sector	2		
Slovakia	Agricultural development programme	5			
	Programme to develop infrastructure and the energy sector	6.5			

1.3.20. Commission decision approving the second instalment of the 1994 PHARE democracy programme.

**Previous decision:** Bull. 6-1994, point 1.3.22

*Adopted on 19 December.* The PHARE democracy programme was allocated ECU 5 million to help establish democratic institutions in the countries of Central and Eastern Europe.

*Bilateral relations*

1.3.21. The Council adopted Decisions regarding the conclusion of Europe Agreements establishing an association with Bulgaria (→ point 1.3.22), Romania (→ point 1.3.26), the Slovak Republic (→ point 1.3.30) and the Czech Republic (→ point 1.3.33).

The Europe (Association) Agreements concluded with Bulgaria, Romania, the Slovak Republic and the Czech Republic take as their basis respect for the principles of pluralist democracy, the rule of law and human rights. They provide for the gradual establishment of free trade between each of the countries concerned and the European Community and closer relations in a number of areas of economic activity, stipulating adherence to the principles of the market economy. Special attention is devoted to political dialogue. Cooperation between the parties extends to economic matters, trade, culture and finance. The Europe Agreements are to enter into force on 1 February 1995 and replace the Interim Agreements with the countries in question. In that connection, the Council also adopted implementing rules for the Europe Agreements to establish procedures to apply to certain safeguard and trade protection measures for which they provide and to establish a legal basis for their agricultural components (→ points 1.3.23, 1.3.27, 1.3.31 and 1.3.33). The Commission adopted ECSC Decisions establishing implementing rules for the portions of the Europe Agreements which deal with products covered by the ECSC Treaty (→ points 1.3.24, 1.3.28, 1.3.32 and 1.3.34).

**Bulgaria**

**Reference:** Interim Agreement on trade and trade-related matters between the European Community and the European Coal and Steel Community and Bulgaria: OJ L 323, 23.12.1993; Bull. 12-1993, point 1.3.15

1.3.22. Europe Agreement establishing an association between the European Communities and their Member States and Bulgaria.

**Agreed by the Council:** Bull. 9-1991, point 1.3.17

**Recommendation for a Decision:** Bull. 1/2-1992, point 1.4.7

**Negotiating directives:** Bull. 5-1992, point 1.2.12

**Initialling of the Agreement:** Bull. 12-1992, point 1.4.11

**Proposal for a Council and Commission Decision regarding conclusion of the Agreement:** COM(93) 45; Bull. 1/2-1993, point 1.3.7

**Council decision on the signature of the Agreement and Agreement signed:** Bull. 3-1993, point 1.3.8

**Parliament assent:** OJ C 315, 22.11.1993; Bull. 10-1993, point 1.3.12

*Decision 94/908/ECSC, EC, Euratom on the conclusion of the Agreement adopted by the Council and the Commission on 19 December.*

OJ L 358, 31.12.1994

1.3.23. Council Regulation on certain procedures for applying the Europe Agreement establishing an association between the European Communities and their Member States and Bulgaria.

*Proposal for a Regulation adopted by the Commission on 13 December.*

COM(94) 657

*Adopted by the Council on 19 December.*

1.3.24. Commission Decision on certain procedures for applying the Europe Agreement establishing an association between the European Communities and their Member States and Bulgaria.

*Draft ECSC Decision adopted by the Commission on 16 December.*

COM(94) 680

*ECSC Consultative Committee consulted on 16 December.*

*Assent given by the Council on 19 December.*

*ECSC Decision adopted by the Commission on 19 December.*

1.3.25. Second Additional Protocol to the Europe Agreement between the European Communities and their Member States and Bulgaria, and to the Interim Agreement on trade and trade-related matters between the European Economic Community and the European Coal and Steel Community and Bulgaria.

**Proposal for a Council Decision (EC) on the conclusion of the Protocol:** Bull. 11-1994, point 1.3.29

*Decision on the conclusion of the Protocol and Decision regarding the provisional application*

*of certain articles of the Protocol adopted by the Council on 22 December.* The purpose of the Decisions is to alter the pace of the dismantling of tariffs and tariff quotas to bring Bulgaria into line with the other four associated countries of Central and Eastern Europe, which have tighter timetables.

## Romania

**Reference:** Interim Agreement on trade and trade-related matters between the EEC and the ECSC and Romania: OJ L 81, 2.4.1993; Bull. 3-1993, point 1.3.10

1.3.26. Europe Agreement establishing an association between the European Communities and their Member States and Romania.

**Council agreement:** Bull. 9-1991, point 1.3.17

**Recommendation for a Decision:** Bull. 1/2-1992, point 1.4.7

**Negotiating directives:** Bull. 5-1992, point 1.2.12

**Initialling of the Agreement:** Bull. 11-1992, point 1.4.12

**Proposal for a Council and Commission Decision regarding conclusion of the Agreement:** COM(92) 511; Bull. 12-1992, point 1.4.14

**Council decision on the signature of the Agreement adopted and Agreement signed:** Bull. 1/2-1993, point 1.3.9

**Parliament assent:** OJ C 315, 22.11.1993; Bull. 10-1993, point 1.3.16

*Decision 94/907/ECSC, EC, Euratom on the conclusion of the Agreement adopted by the Council and the Commission on 19 December.*

OJ L 357, 31.12.1994

1.3.27. Council Regulation on certain procedures for applying the Europe Agreement establishing an association between the European Communities and their Member States and Romania.

*Proposal for a Regulation adopted by the Commission on 13 December.*

COM(94) 657

*Adopted by the Council on 19 December.*

1.3.28. Commission Decision on certain procedures for applying the Europe Agreement establishing an association between the European Communities and their Member States and Romania.

*Draft ECSC Decision adopted by the Commission on 16 December.*

COM(94) 680

*ECSC Consultative Committee consulted on 16 December.*

*Assent given by the Council on 19 December.*

*ECSC Decision adopted by the Commission on 19 December.*

1.3.29. Second Additional Protocol to the Europe Agreement between the European Communities and their Member States and Romania, and to the Interim Agreement on trade and trade-related matters between the European Economic Community and the European Coal and Steel Community and Romania.

**Proposal for a Council Decision (EC) on the conclusion of the Protocol:** Bull. 11-1994, point 1.3.30

**Draft Commission Decision (ECSC) on the conclusion of the Protocol:** Bull. 11-1994, point 1.3.30

*ECSC Consultative Committee consulted on 16 December.*

*Decision on the conclusion of the Protocol and Decision regarding the provisional application of certain articles of the Protocol adopted by the Council on 22 December.* The purpose of the Decisions is to alter the pace of the dismantling of tariffs and tariff quotas to bring Romania into line with the other four associated countries of Central and Eastern Europe, which have tighter timetables.

## Slovak Republic

1.3.30. Europe Agreement establishing an association between the European Communities and their Member States and the Slovak Republic.

### References:

Draft Europe (association) Agreement with the Czech and Slovak Federal Republic: Bull. 12-1991, point 1.3.2

Interim Agreement on trade and trade-related matters between the European Economic Community and the European Coal and Steel Community and the Czech and Slovak Federal Republic: OJ L 115, 30.4.1992; Bull. 1/2-1992, point 1.4.9

**Commission recommendation:** Bull. 1/2-1993, point 1.3.12

**Negotiating directives:** Bull. 4-1993, point 1.3.16

**Initialling of the Agreement:** Bull. 6-1993, point 1.3.17

**Commission proposal on the conclusion of the Agreement:** COM(93) 386; Bull. 7/8-1993, point 1.3.13

**ECSC Consultative Committee opinion:** Bull. 9-1993, point 1.3.10

**Council decision on the signature of the Agreement and Agreement signed:** Bull. 10-1993, point 1.3.14

**Parliament assent:** OJ C 315, 22.11.1993; Bull. 10-1993, point 1.3.14

*Decision 94/909/ECSC, EC, Euratom on the conclusion of the Agreement adopted by the Council on 19 December.*

OJ L 359, 31.12.1994

1.3.31. Council Regulation (EC) No 3297/94 on certain procedures for applying the Europe Agreement establishing an association between the European Communities and their Member States and the Slovak Republic.

*Proposal for a Regulation adopted by the Commission on 16 December.*

COM(94) 680

*Adopted by the Council on 19 December.*

OJ L 341, 30.12.1994

1.3.32. Commission Decision on certain procedures for applying the Europe Agreement establishing an association between the European Communities and their Member States and the Slovak Republic.

*Draft ECSC Decision adopted by the Commission on 16 December.*

COM(94) 680

*ECSC Consultative Committee consulted on 16 December.*

*Assent given by the Council on 19 December.*

*ECSC Decision adopted by the Commission on 19 December.*

## **Czech Republic**

1.3.33. Europe Agreement establishing an association between the European Communities and their Member States and the Czech Republic.

### **References:**

Draft Europe (association) Agreement with the Czech and Slovak Federal Republic: Bull. 12-1991, point 1.3.2

Interim Agreement on trade and trade-related matters between the European Economic Community and the European Coal and Steel Community and the Czech and Slovak Federal Republic: OJ L 115, 30.4.1992; Bull. 1/2-1992, point 1.4.9

**Commission recommendation:** Bull. 1/2-1993, point 1.3.12

**Negotiating directives:** Bull. 4-1993, point 1.3.16

**Initialling of the Agreement:** Bull. 6-1993, point 1.3.17

**Commission proposal on the conclusion of the Agreement:** COM(93) 386; Bull. 7/8-1993, point 1.3.13

**ECSC Consultative Committee opinion:** Bull. 9-1993, point 1.3.10

**Council decision on the signature of the Agreement and Agreement signed:** Bull. 10-1993, point 1.3.14

**Parliament assent:** OJ C 315, 22.11.1993; Bull. 10-1993, point 1.3.14

*Decision 94/910/ECSC, EC, Euratom on the conclusion of the Agreement adopted by the Council on 19 December.*

OJ L 360, 31.12.1994

1.3.34. Council Regulation (EC) No 3296/94 on certain procedures for applying the Europe Agreement establishing an association between the European Communities and their Member States and the Czech Republic.

*Proposal for a Regulation adopted by the Commission on 16 December.*

COM(94) 680

*Adopted by the Council on 19 December.*

OJ L 341, 30.12.1994

1.3.35. Commission Decision on certain procedures for applying the Europe Agreement establishing an association between the European Communities and their Member States and the Czech Republic.

*Draft ECSC Decision adopted by the Commission on 16 December.*

COM(94) 680

*ECSC Consultative Committee consulted on 16 December.*

*Assent given by the Council on 19 December.*

*ECSC Decision adopted by the Commission on 19 December.*

1.3.36. The Council also adopted Decisions on the conclusion of the Agreements on free trade

and trade-related matters between the European Communities and Estonia, Latvia and Lithuania respectively (→ points 1.3.37, 1.3.40 and 1.3.43). It is laid down in these Agreements, which are based on the observance of democracy and human rights, that free trade is to be established between the European Communities and each of the Baltic States. They demonstrate the importance of an intensified dialogue between the parties and constitute a decisive step towards the conclusion of association agreements. They will enter into force on 1 January 1995. The Commission therefore adopted proposals for Regulations laying down procedures for applying certain safeguard measures and measures of commercial protection provided for in the free-trade Agreements (→ points 1.3.38, 1.3.41 and 1.3.44) and also ECSC Decisions laying down rules for implementing various provisions of the Agreement on products covered by the ECSC Treaty (→ points 1.3.39, 1.3.42 and 1.3.45).

### **Estonia**

*1.3.37. Agreement on free trade and trade-related matters between the European Communities and Estonia.*

**Commission recommendation:** Bull. 12-1993, point 1.3.13

**Amended Commission recommendation:** Bull. 1/2-1994, point 1.3.39

**Negotiating directives:** Bull. 1/2-1994, point 1.3.39

**Proposal for a Council Decision (EC) regarding conclusion of the Agreement:** COM(94) 330; Bull. 7/8-1994, point 1.3.33

**Draft Commission Decision (ECSC and Euratom) regarding conclusion of the Agreement:** COM(94) 330; Bull. 7/8-1994, point 1.3.33

**Initialling of the Agreement:** Bull. 7/8-1994, point 1.3.33

**Council decision on the signing of the Agreement:** Bull. 7/8-1994, point 1.3.33

**Signing of the Agreement:** Bull. 7/8-1994, point 1.3.33

**Consultation of the ECSC Consultative Committee:** Bull. 10-1994, point 1.3.23

**Parliament opinion:** OJ C 341, 5.12.1994; Bull. 11-1994, point 1.3.26

*Decision regarding conclusion of the Agreement adopted by the Council on 19 December.* The Agreement provides for free trade in all industrial products from its entry into force on 1 January 1995, is intended to bring free and non-

discriminatory competition based on Community rules, will bind the suspension of non-specific quantitative restrictions and will establish new reciprocal concessions in agriculture and fisheries.

*1.3.38. Proposal for a Regulation on certain procedures for applying the Agreement on free trade and trade-related matters between the European Communities and Estonia.*

*Proposal for a Regulation adopted by the Commission on 13 December.*

COM(94) 658

*1.3.39. Commission Decision on certain procedures for applying the Agreement on free trade and trade-related matters between the European Communities and Estonia.*

*Draft ECSC Decision adopted by the Commission on 16 December.*

COM(94) 680

*ECSC Consultative Committee consulted on 16 December.*

*ECSC Decision adopted by the Commission on 19 December.*

### **Latvia**

*1.3.40. Agreement on trade and trade-related matters between the European Communities and Latvia.*

**Commission recommendation:** Bull. 12-1993, point 1.3.13

**Amended Commission recommendation:** Bull. 1/2-1994, point 1.3.39

**Negotiating directives:** Bull. 1/2-1994, point 1.3.39

**Initialling of the Agreement:** Bull. 6-1994, point 1.3.24

**Proposal for a Council Decision (EC) regarding the conclusion of the Agreement:** COM(94) 326; Bull. 7/8-1994, point 1.3.34

**Draft Commission Decision (ECSC and Euratom) regarding the conclusion of the Agreement:** Bull. 7/8-1994, point 1.3.34

**Council decision on the signing of the Agreement:** Bull. 7/8-1994, point 1.3.34

**Signing of the Agreement:** Bull. 7/8-1994, point 1.3.34

**Consultation of the ECSC Consultative Committee:** Bull. 10-1994, point 1.3.24

**Parliament opinion:** OJ C 341, 5.12.1994; Bull. 11-1994, point 1.3.27



*Decision on the conclusion of the Agreement adopted by the Council on 19 December.* Where industrial products are concerned, the Agreement provides for a two-speed process: gradual introduction of free trade from 1 January 1995 over a maximum of four years on Latvia's part but immediate liberalization on the Community's part. Where agriculture and fisheries are concerned, the Agreement will bind the suspension of non-specific quantitative restrictions and will establish new reciprocal concessions.

*1.3.41. Proposal for a Regulation on certain procedures for applying the Agreement on free trade and trade-related matters between the European Communities and Latvia.*

*Proposal for a Regulation adopted by the Commission on 13 December.*

COM(94) 658

*1.3.42. Commission Decision on certain procedures for applying the Agreement on free trade and trade-related matters between the European Communities and Latvia.*

*Draft ECSC Decision adopted by the Commission on 16 December.*

COM(94) 680

*ECSC Consultative Committee consulted on 16 December.*

*ECSC Decision adopted by the Commission on 19 December.*

## **Lithuania**

*1.3.43. Agreement on free trade and trade-related matters between the European Communities and Lithuania.*

**Commission recommendation:** Bull. 12-1993, point 1.3.13

**Amended Commission recommendation:** Bull. 1/2-1994, point 1.3.39

**Negotiating directives:** Bull. 1/2-1994, point 1.3.39

**Initialling of the Agreement:** Bull. 6-1994, point 1.3.25

**Proposal for a Council Decision (EC) on the conclusion of the Agreement:** COM(94) 327; Bull. 7/8-1994, point 1.3.35

**Draft Commission Decision (ECSC and Euratom) regarding the conclusion of the Agreement:** Bull. 7/8-1994, point 1.3.35

**Council decision on the signing of the Agreement:** Bull. 7/8-1994, point 1.3.35

**Signing of the Agreement:** Bull. 7/8-1994, point 1.3.35

**Consultation of the ECSC Consultative Committee:** Bull. 10-1994, point 1.3.25

**Parliament opinion:** OJ C 341, 5.12.1994; Bull. 11-1994, point 1.3.28

*Decision on the conclusion of the Agreement adopted by the Council on 19 December.* Where industrial products are concerned, the Agreement provides for a two-speed process: gradual introduction of free trade from 1 January 1995 over a maximum of six years on Lithuania's part but immediate liberalization on the Community's part. Where agriculture and fisheries are concerned, the Agreement will bind the suspension of non-specific quantitative restrictions and will establish new reciprocal concessions.

*1.3.44. Proposal for a Regulation on certain procedures for applying the Agreement on free trade and trade-related matters between the European Communities and Lithuania.*

*Proposal for a Regulation adopted by the Commission on 13 December.*

COM(94) 658

*1.3.45. Commission Decision on certain procedures for applying the Agreement on free trade and trade-related matters between the European Communities and Lithuania.*

*Draft ECSC Decision adopted by the Commission on 16 December.*

COM(94) 680

*ECSC Consultative Committee consulted on 16 December.*

*ECSC Decision adopted by the Commission on 19 December.*

## **Independent States of the former Soviet Union**

*Assistance for the independent States of the former Soviet Union*

### **Financial assistance**

*1.3.46. Council Decision providing macrofinancial assistance for Ukraine.*

**Reference:** Twentieth Western Economic Summit: Bull. 7/8-1994, point 1.3.52

**Commission proposal:** COM(94) 487; Bull. 11-1994, point 1.3.32

*Agreed by the Council on 5 December.*

*Endorsed by Parliament on 16 December* subject to an amendment referring to the European Union's wish to support, by means of this aid, Ukraine's burgeoning democracy.

OJ C 18, 23.1.1995

*Adopted by the Council on 22 December.* The Council decided to provide Ukraine with assistance in the form of an ECU 85 million loan to help its balance of payments. This loan, which will be for a maximum of 10 years, will be paid in a single tranche and will supplement the resources mobilized by international financial institutions and other donors. It will also be subject to the conclusion of an agreement with the IMF and implementation of the Chernobyl closure plan proposed by the G7.

#### **Technical assistance**

**Basic Regulation:** Council Regulation (EEC, Euratom) No 2053/93 concerning the provision of technical assistance for economic reform and recovery in the independent States of the former Soviet Union and Mongolia (TACIS programme): OJ L 187, 29.7.1993; Bull. 7/8-1993, point 1.3.15

*1.3.47.* Commission Decision allocating the second tranche to the new independent States of the former Soviet Union and Mongolia under the TACIS programme for democracy.

**Previous Decision:** Bull. 6-1994, point 1.3.28

*Adopted by the Commission on 21 December.* The Commission decided to grant the second tranche of financing, amounting to ECU 5 million, for the 1994 democracy programme, which is designed to promote pluralist democracy and the rule of law in the new independent States and Mongolia.

#### *Bilateral relations*

##### **Belarus**

*1.3.48.* Draft Partnership and Cooperation Agreement between the European Community and Belarus.

**Recommendation for a Decision:** Bull. 7/8-1992, point 1.4.3

**Negotiating directives:** Bull. 10-1992, point 1.4.19

**Amended Commission recommendation:** Bull. 10-1994, point 1.3.31

**Amended negotiating directives:** Bull. 11-1994, point 1.3.33

Agreement initialled in Brussels on 22 December.

##### **Kazakhstan**

*1.3.49.* Draft Partnership and Cooperation Agreement between the European Communities and their Member States and Kazakhstan.

**Commission recommendation:** Bull. 7/8-1992, point 1.4.3

**Negotiating directives:** Bull. 10-1992, point 1.4.19

**Initialling of Agreement:** Bull. 5-1994, point 1.3.35

**Commission Proposal for a Decision (EC) regarding the conclusion of the Agreement:** OJ C 319, 16.11.1994; COM(94) 411; Bull. 10-1994, point 1.3.32

**Draft Commission Decision (ECSC, Euratom) regarding conclusion of the Agreement:** OJ C 319, 16.11.1994; COM(94) 411; Bull. 10-1994, point 1.3.32

*Decision on the signing of the Agreement adopted by the Council on 15 December.*

*1.3.50.* Draft Interim Agreement on trade and trade-related matters between the European Community and Kazakhstan.

**Recommendation for a Decision:** Bull. 7/8-1994, point 1.3.41

**Negotiating directives:** Bull. 7/8-1994, point 1.3.41

Agreement initialled in Brussels on 22 December.

##### **Kyrgyzstan**

*1.3.51.* Draft Partnership and Cooperation Agreement between the European Communities and their Member States and Kyrgyzstan.

**Commission recommendation:** Bull. 7/8-1992, point 1.4.3

**Negotiating directives:** Bull. 10-1992, point 1.4.19

**Initialling of the Agreement:** Bull. 5-1994, point 1.3.36

**Commission Proposal for a Decision (EC) on the conclusion of the Agreement:** OJ C 326,

24.11.1994; COM(94) 412; Bull. 10-1994, point 1.3.33

**Draft Commission Decision (ECSC, Euratom) on the conclusion of the Agreement:** OJ C 326, 24.11.1994; COM(94) 412; Bull. 10-1994, point 1.3.33

*Decision on the signing of the Agreement adopted by the Council on 15 December.*

## Moldova

1.3.52. Draft Partnership and Cooperation Agreement between the Communities and their Member States and Moldova.

**Commission recommendation:** Bull. 7/8-1992, point 1.4.3

**Negotiating directives:** Bull. 10-1992, point 1.4.19

**Proposal for a Decision on the amendment of the negotiating directives:** Bull. 6-1994, point 1.3.31

**Amended negotiating directives:** Bull. 7/8-1994, point 1.3.43

**Initialling of the Agreement:** Bull. 7/8-1994, point 1.3.43

**Proposal for a Council Decision on the conclusion of the Agreement:** COM(94) 477; Bull. 11-1994, point 1.3.35

**Council decision on the signing of the Agreement:** Bull. 11-1994, point 1.3.35

**Signing of the Agreement:** Bull. 11-1994, point 1.3.35

*ECSC Consultative Committee consulted on 16 December.*

## Russia

1.3.53. Draft Interim Agreement between the European Community and Russia on trade and trade-related matters.

**Recommendation for a Decision:** Bull. 7/8-1994, point 1.3.45

**Negotiating directives:** Bull. 7/8-1994, point 1.3.45

*Agreement initialled in Moscow on 29 December.*

1.3.54. Parliament resolution on the situation in Chechnya.

**Reference:** Fourth summit of the CSCE Heads of State or Government and Foreign Ministers: point 1.3.97 of this Bulletin

*Adopted on 15 December.* In view of the fact that the events in Chechnya were the first

instance of conflict within the frontiers of the Russian Federation, Parliament requested the parties concerned to observe democratic principles and to find a peaceful solution, in particular by implementing the Protocol which they recently signed. Parliament, recalling that Mr Yeltsin signed a code of conduct at the Conference on Security and Cooperation in Europe at Budapest, requested the Council to help find a political solution to the problem, within the context of that organization.

1.3.55. Draft cooperation agreements between the European Atomic Energy Community and the Russian Federation in the fields of controlled nuclear fusion and nuclear safety (→ point 1.2.112).

## Ukraine

1.3.56. Draft Interim Agreement on trade and trade-related matters between the European Communities and Ukraine.

**Commission recommendation:** Bull. 6-1994, point 1.3.35

**Negotiating directives:** Bull. 6-1994, point 1.3.35

**Proposal for a Council Decision (EC) on the conclusion of the Agreement:** COM(94) 341; Bull. 7/8-1994, point 1.3.46

**Draft Commission Decision (ECSC, Euratom) on the conclusion of the Agreement:** COM(94) 341; Bull. 7/8-1994, point 1.3.46

**Council decision on the signing of the Agreement:** Bull. 11-1994, point 1.3.37

*ECSC Consultative Committee consulted on 16 December.*

1.3.57. Visit by Mr Hennadii Udovenko, Foreign Minister, on 1 December.

### References:

Common position 94/779/CFSP defined by the Council on the basis of Article J.2 of the Treaty on European Union on the objectives and priorities of the European Union towards Ukraine: OJ L 313, 6.12.1994; Bull. 11-1994, point 1.3.1

Council Decision providing macrofinancial assistance to Ukraine: point 1.3.46 of this Bulletin

During this visit, Mr Udovenko had talks with Mr Van den Broek concerning the economic reforms undertaken in Ukraine, the support given by the European Union to Ukraine's efforts, and in particular the macrofinancial aid proposed and the common position adopted in

November concerning the objectives and priorities of the European Union towards that country.

## Mediterranean and Middle East

1.3.58. Stressing the primary strategic importance of the Mediterranean for the European Union, the European Council advocated a Euro-Mediterranean partnership for political stability, peace, prosperity and cooperation in the region. Support was voiced for the following: new Euro-Mediterranean partnership agreements, particularly with Egypt; the continuation of economic support for Algeria; a customs union with Turkey, and a Euro-Mediterranean ministerial conference in the second half of the year. It also confirmed that the next stage in European Union would involve Cyprus and Malta (→ points I.14 and I.55) and adopted a declaration on the situation in former Yugoslavia (→ point 1.3.11).

### Northern Mediterranean

#### *Former Yugoslavia*

1.3.59. Council Regulation (EC) No 3355/94 on the arrangements for imports into the Community of products originating in the republics of Bosnia-Herzegovina, Croatia, Slovenia and the former Yugoslav Republic of Macedonia; Council Regulation (EC) No 3357/94 establishing ceilings and Community surveillance with regard to imports of certain products originating in the Republics of Bosnia-Herzegovina, Croatia, Slovenia and the former Yugoslav Republic of Macedonia (1995).

**Council Regulation and Decision extended:** Regulation (EC) No 3698/93 on the arrangements for imports into the Community of products originating in the Republics of Bosnia-Herzegovina, Croatia, Slovenia and the territory of the former Yugoslav Republic of Macedonia; Decision 93/732/ECSC of the representatives of the governments of the Member States, meeting within the Council, on the arrangements applicable to imports into the Community of products covered

by the ECSC Treaty originating in the Republics of Bosnia-Herzegovina, Croatia, Slovenia and the territory of the former Yugoslav Republic of Macedonia: OJ L 344, 31.12.1993; Bull. 12-1993, point 1.3.30

**Commission proposals:** COM(94) 457; Bull. 11-1994, point 1.3.39

*Amended proposals adopted on 21 December.* They incorporate both proposals for ECSC decisions into the proposals for (EC) regulations.

COM(94)668

*Adopted by the Council on 22 December.* They extend Council Regulation (EC) No 3698/93 and Decision 93/732/ECSC until the end of 1995 by modifying the fixed tariff ceilings and bringing together the provisions covering EC and ECSC products.

OJ L 353, 31.12.1994

1.3.60. Commission financing decision for the town of Mostar.

**Reference:** Council Decision 94/790/CFSP on common action adopted by the Council on the basis of Article J.3 of the Treaty on European Union concerning the continuation of support for the administration of the city of Mostar by the European Union: OJ L 326, 17.12.1994; point 1.3.4 of this Bulletin

*Adopted on 19 December.* This commits ECU 20 million for common action to continue EU support for the administration of Mostar.

1.3.61. Proposal for a Council Regulation repealing Council Regulation (EC) No 2472/94 suspending certain elements of the embargo on the Federal Republic of Yugoslavia (Serbia and Montenegro).

**Council Regulation to be repealed:** Regulation (EC) No 2472/94 suspending certain restrictions on trade with the Federal Republic of Yugoslavia (Serbia and Montenegro): OJ L 266, 15.10.1994; Bull. 10-1994, point 1.3.36

*Adopted by the Commission on 8 December.* The proposal will enable the Council to suspend Council Regulation (EC) No 2472/94 quickly if the Federal Republic of Yugoslavia should not implement its decision to close its border with Bosnia-Herzegovina in accordance with UN Security Council resolution 943 (1994).

COM(94) 589

#### *Turkey*

1.3.62. EC-Turkey Association Council.

**References:**

EEC-Turkey Association Agreement: OJ L 217, 29.12.1964

Additional Protocol: OJ L 293, 29.12.1972  
 Communiqué on Turkey by the Presidency on behalf of the European Union: point 1.3.10 of this Bulletin

Parliament resolution on the trial of Turkish MPs of Kurdish origin: OJ C 23, 23.1.1995; point 1.3.166 of this Bulletin

**Previous meeting:** Bull. 11-1993, point 1.3.27

*Meeting held in Brussels on 19 December.* The meeting was chaired by the President of the Council, the German Foreign Minister Mr Klaus Kinkel. The Commission was represented by Sir Leon Brittan and Mr Van den Broek, Turkey by its Foreign Minister, Mr Murat Karayalçin, and the European Investment Bank by Mrs Obolenski.

Relations between the EU and Turkey were reviewed at the meeting. Sir Leon said that most of the negotiating points on the customs union had been settled, including those relating to the free movement of industrial products and non-tariff barriers. Turkey would agree to adopt both the *acquis communautaire* in this area and Community rules on competition, intellectual property, trade and the system of generalized preferences, particularly for textiles. Owing to the opposition of one Member State, however, the Association Council was unable to finalize the customs union. The situation in Cyprus and Turkey's human rights record (including the imprisonment of eight Kurdish MPs) were also raised.

## Maghreb

*1.3.63.* Proposal for a Council Regulation in the field of employment creation and support to small and micro-enterprises in the Maghreb countries.

**Commission proposal:** OJ C 214, 4.8.1994; COM(94) 289; Bull. 7/8-1994, point 1.3.49

**Parliament opinion (first reading):** OJ C 323, 21.11.1994; Bull. 10-1994, point 1.3.38

*Amended proposal adopted by the Commission on 22 December.* The Commission included amendments tabled by Parliament to take account of the environmental impact of measures.  
 COM(94) 650

## Algeria

*1.3.64.* Council Decision providing further macrofinancial assistance for Algeria.

**Reference:** Council Decision 91/510/EEC on a

medium-term loan for Algeria: OJ L 272, 28.9.1991; Bull. 9-1991, point 1.3.26

**Commission proposal:** OJ C 299, 27.10.1994; COM(94) 409; Bull. 10-1994, point 1.3.39

*Council agreement (economic and financial affairs) on 5 December.*

*Endorsed by Parliament on 15 December subject to some textual and procedural amendments.*

OJ C 18, 23.1.1995

*Adopted by the Council on 22 December.* The Decision provides an additional ECU 200 million — repayable within seven years — of medium-term macrofinancial loans for the period 1994-95.

## Morocco

*1.3.65.* Meeting between the troika and the Moroccan Interior Minister, Mr Driss Basri, in Brussels on 1 December.

### References:

Commission communication on combating drugs and developing the northern provinces of Morocco: Bull. 9-1993, point 1.3.27

Council conclusions on combating drugs and developing the northern provinces of Morocco: Bull. 12-1993, point 1.3.35

Commission financing decision for the northern provinces of Morocco: Bull. 11-1994, point 1.3.43

Mr Basri met the troika, led by Mr Schelter, the State Secretary at the German Interior Ministry. He spoke of the measures taken by his government against organized crime and drug trafficking and pointed to the links between organized crime and religious fundamentalists. He stressed the importance of his government's White Paper on the prevention of drug abuse, aimed at stamping out the drug culture and narcotics trafficking and the economic conversion of the relevant areas. He hoped that EU aid would be forthcoming for this programme.

*1.3.66.* Draft agreement in the form of an exchange of letters between the European Community and Morocco on the arrangements governing imports into the EC of tomatoes and courgettes originating in and coming from Morocco.

**Reference:** new draft Agreement with Morocco: Bull. 12-1993, point 1.3.33

*Proposal for a Council Decision on conclusion of the Agreement adopted by the Commission on 13 December.*

COM(94) 649

*Decision adopted by the Council on 20 December.* The arrangements seek to maintain levels of traditional Moroccan tomato and courgette exports to the Community, and will be included in the new Agreement.

## Mashreq

### Egypt

1.3.67. Draft Euro-Mediterranean Association Agreement with Egypt.

#### References:

EEC-Egypt Cooperation Agreement: OJ L 266, 27.9.1978, as last amended by Regulation (EEC) No 3069/1990: OJ L 295, 26.10.1990

EC-Egypt Cooperation Council: Bull. 5-1994, point 1.3.43

Commission communication to the Council and Parliament on strengthening the Mediterranean policy of the EU: establishing a Euro-Mediterranean partnership: COM(94) 427; Bull. 10-1994, point 1.3.34

**Recommendation for a Decision:** Bull. 11-1994, point 1.3.44

*Negotiating directives adopted on 19 December.* The agreement, which should boost the EU's Mediterranean policy and strengthen relations between the two sides on the basis of reciprocity and shared interests, will govern all economic and trade relations. In addition to a financial section, it will contain measures on social and cultural cooperation, political dialogue and institutional matters. The importance of respect for human rights, democratic principles and economic freedom will be included in the preamble.

## Financial and technical cooperation

1.3.68. Project financing.

Commission financing decisions in support of the following projects (see Table 13).

#### References:

Council Decision 92/44/EEC on the conclusion of the fourth Financial Protocol with Tunisia: OJ L 18, 25.1.1992; Bull. 12-1991, point 1.3.25

Council Regulation (EEC) No 1763/92 concerning financial cooperation in respect of all Mediterranean non-member countries: OJ L 181, 1.7.1992; Bull. 6-1992, point 1.4.17, as last amended by Council Regulation (EC) No 1735/94: OJ L 182, 16.7.1994; Bull. 7/8-1994, point 1.3.50

Council Decision 92/548/EEC on the conclusion of the fourth Financial Protocol with Morocco: OJ L 352, 2.12.1992; Bull. 11-1992, point 1.4.18

Fourth Financial Protocol with Syria: OJ L 32, 5.2.1994; Bull. 1/2-1994, point 1.3.61

Table 13 — *Cooperation with Mediterranean countries*

<i>(million ECU)</i>		
Country	Purpose	Amount
Egypt	Support for a population programme	10
Morocco	Health project for new mothers and babies	9
Syria	Support for the banking sector	4.5
	Population programme	2
Tunisia	Employment start-up and conversion fund	2.9
	Development of hill dams and irrigation systems	3
All Mediterranean countries	MED-Campus	8.9
	MED-MEDIA	6.1
	MED-URBS	8.9

## United States, Japan and other industrialized countries

### South Africa

1.3.69. Cooperation Agreement between the European Community and the Republic of South Africa.

**Proposal for a Council Decision on conclusion of the Agreement:** OJ C 282, 8.10.1994; COM(94) 402; Bull. 9-1994, point 1.3.16

**Signing of the Agreement:** Bull. 10-1994, point 1.3.44

**Parliament opinion:** OJ C 363, 19.12.1994; Bull. 11-1994, point 1.3.52

*Decision 94/822/EC concerning the conclusion of the Agreement adopted by the Council on 19 December.* This Agreement, which provides a legal basis for the development of cooperation between the European Union and South Africa marks a first stage in the consolidation of their relations and will be backed up by subsequent agreements. Based on respect for human rights and democratic principles, it seeks to strengthen cooperation in all fields and specifies that the parties should examine ways of developing their relations in a manner consistent with intra-regional cooperation in southern Africa.

OJ L 341, 30.12.1994

**1.3.70.** Mr Trevor Manuel, Minister for Trade and Industry, visited the Commission from 28 November to 1 December.

**Reference:** ACP-EU Council of Ministers: point 1.3.90 of this Bulletin

Mr Manuel met Mr Marín, Sir Leon Brittan and Mr Pinheiro. They discussed the prospects and possible forms of long-term cooperation between the European Union and South Africa.

**1.3.71.** Project financing.

*Commission decision adopted on 19 December.* Grant of ECU 99 184 584 under the special programme for South Africa in respect of 22 projects concerning education, training, public health, business creation and expansion, development of rural and urban areas and support for human rights initiatives

## United States

**1.3.72.** Mr Ron Brown, United States Secretary of Commerce, visited the Commission on 15 December.

**Reference:** Final Act of the Uruguay Round multilateral trade negotiations: COM(94) 143; Bull. 4-1994, point 1.3.61

Mr Brown met Sir Leon Brittan, Mr Bangemann and Mr Millan. His talks with Sir Leon focused

on trade liberalization following the Uruguay Round agreements, trade relations between the United States and the European Union and matters concerning industrial competitiveness, the information society and the application of conditionality to the question of national treatment in US legislation. Their discussions also covered cooperation on trade and investment as regards the countries of Central and Eastern Europe and Russia, as well as relations with China and Japan. In Mr Brown's meeting with Mr Bangemann, talks centred on a number of the subjects mentioned, in particular the information society and telecommunications. In his meeting with Mr Millan, the process of regional development in Northern Ireland was discussed.

## Asia

**1.3.73.** The European Council emphasized the economic and political importance of the countries of the Asia-Pacific region and confirmed that the European Union and its Member States intended to step up cooperation and dialogue with the countries and regional organizations of the area, particularly Asean (→ point I.18).

## Bilateral relations

### Sri Lanka

**1.3.74.** Draft cooperation agreement between the European Community and the Democratic Socialist Republic of Sri Lanka on partnership and development.

**Negotiating directives:** Bull. 1/2-1993, point 1.3.37

**Initialling of the Agreement:** Bull. 12-1993, point 1.3.53

**Proposal for a Council Decision on its conclusion:** OJ C 86, 23.3.1994; COM(94) 15; Bull. 1/2-1994, point 1.3.74

**Council Decision on its signing:** Bull. 7/8-1994, point 1.3.57

**Signing:** Bull. 7/8-1994, point 1.3.57

*Endorsed by Parliament on 15 December.*

OJ C 18, 23.1.1995

## Cooperation with Asian countries

**Basic Regulation:** Council Regulation (EEC) No 443/92 on financial and technical assistance to, and economic cooperation with, the developing countries in Asia and Latin America: OJ L 52, 27.2.1992; Bull. 1/2-1992, point 1.4.40

1.3.75. Fifteenth annual report from the Commission on the implementation of financial and technical assistance to Asian and Latin American developing countries.

**Previous report:** Bull. 9-1992, point 1.3.37

*Adopted by the Commission on 2 December.* The report describes the substance and methods of financial and technical cooperation in 1991, giving the breakdown by geographical region and sector of investment, and it also examines cooperation during the period 1976-91. In 1991, 43 projects in 34 countries received financing in the form of grants totalling ECU 357 240 000 of which 37.6% went to Latin America and 62.4% to Asia. Financial and technical assistance was mainly allocated to the following sectors: rural development and food security, protection of the environment and natural resources, the fight against drugs and regional cooperation. The human and cultural dimension of development was taken into account in all areas of intervention. Economic cooperation was specifically targeted at boosting scientific and technological potential, improving institutional structures and supporting firms. Rehabilitation and reconstruction measures accounted for ECU 30 million, i.e. 8.3% of total aid.

COM(94) 541

### 1.3.76. Project financing

Commission financing decisions to provide assistance for the following projects (see Table 14).

Table 14 — *Cooperation with Asia*

<i>(million ECU)</i>		
Country	Purpose	Amount (grant)
Bangladesh	Contraceptive support programme	3
Laos	Forest conservation and development in rural areas of Phongsaly province	9.5

Country	Purpose	Amount (grant)
Nepal	Programme to strengthen veterinary services with a view to curbing livestock diseases	8.7

## Aid to refugees and displaced persons

1.3.77. Commission financing decisions to provide assistance for the following projects (see Table 15).

Table 15 — *Aid for refugees and displaced persons*

<i>(million ECU)</i>		
Country	Number of programmes	Total
Afghanistan	1	1
Cambodia	1	1.19
Myanmar	2	2.6
Laos	1	4.5

## Latin America

1.3.78. The European Council confirmed the European Union's willingness to establish a new, comprehensive partnership with Latin America and called for the prompt opening of negotiations with the Mercosur countries on an interregional framework agreement and on the practical form of closer relations with Mexico and Chile (→ point I.19).

## Bilateral relations

### *Guatemala*

1.3.79. Parliament resolution on the peace process in Guatemala.

*Adopted on 15 December.* Alarmed by the acts



of terrorism, human rights violations and abuses of power in Guatemala and concerned at the delays experienced in the peace negotiations, Parliament, while acknowledging the Guatemalan President's efforts, called on the government and the URNG to overcome obstacles to the peace process and implement an immediate ceasefire until the negotiating process had been concluded. It urged the international community and the European Union to help both sides conclude the negotiations and stressed the need for the indigenous population to be represented and hoped that the United Nations mission for Guatemala would carry out successfully its mandate of monitoring the human rights situation.

OJ C 18, 23.1.1995

## Relations with regional bodies

### *Relations with Mercosur*

1.3.80. Joint solemn declaration by the Council of the European Union and the European Commission, on the one hand, and the Mercosur States on the other.

#### References:

Conclusions of the Corfu European Council: Bull. 6-1994, point I.20

Commission communication 'The European Community and Mercosur: an enhanced policy': COM(94) 428; Bull. 10-1994, point 1.3.51

Conclusions of the Essen European Council: point I.19 of this Bulletin

*Signed in Brussels on 22 December.* Following the conclusions of the Corfu and Essen European Councils and the Commission communication, the Council and the Commission on the one hand, and the Mercosur States on the other, signed a joint solemn declaration confirming their willingness to conclude an interregional association between the European Union and Mercosur. This association would aim towards closer political cooperation, the progressive and reciprocal liberalization of all trade and the promotion of investment. The interregional framework agreement would cover trade cooperation, cooperation in all areas likely to strengthen integration within Mercosur and in promising sectors such as research and development, industry, the environment, and the information society. It would also encourage technical, industrial and financial participation by economic operators in

major regional projects and promote a broader political dialogue in areas of mutual interest.

OJ C 377, 31.12.1994

## Cooperation with Latin America

**Basic Regulation:** Council Regulation (EEC) No 443/92 on financial and technical assistance to, and economic cooperation with, the developing countries in Asia and Latin America: OJ L 52, 27.2.1992; Bull. 1/2-1992, point 1.4.40

1.3.81. Fifteenth Commission report on the implementation of financial and technical assistance to Asian and Latin American developing countries (→ point 1.3.75).

1.3.82. Project financing.

Commission financing decision to grant aid worth ECU 860 000 to Nicaragua for a programme to protect children living in particularly difficult conditions.

## Aid to refugees and displaced persons

1.3.83. Commission decisions to provide assistance for the following projects (see Table 16).

Table 16 — *Aid for refugees and displaced persons*

<i>(million ECU)</i>		
Country	Number of programmes	Total
Central America	1	0.65
Guatemala	3	1.09
Honduras	1	0.5
Mexico	2	0.58
Nicaragua	2	4.56

## ACP countries and OCT

1.3.84. The European Council confirmed that the development of the European Union's relations with the ACP countries was a major pri-

ority, particularly in the light of the mid-term review of the fourth Lomé Convention. The Council welcomed the stepping up of cooperation with southern Africa, and called for close political dialogue between the European Union and the Organization of African Unity, particularly with regard to conflict prevention in Africa (→ point I.20).

## Relations with ACP countries

### *Implementation of the fourth Lomé Convention*

**Reference:** Fourth ACP-EC Convention: OJ L 229, 17.8.1991; Bull. 9-1991, point 1.3.38

*1.3.85.* Draft protocol adapting the fourth ACP-EC Convention signed in Lomé on 15 December 1989 to take account of the accession of the Republic of Austria, the Republic of Finland and the Kingdom of Sweden to the European Union.

**Reference:** Accession to the European Union of Norway, Austria, Finland and Sweden: OJ C 241, 29.8.1994; Bull. 6-1994, point 1.3.15

**Recommendation for a Commission decision:** COM(94) 416; Bull. 10-1994, point 1.3.58

*Negotiating directives adopted by the Council on 22 December.* Purpose: to start talks with the ACP countries aimed at concluding a protocol adapting Lomé IV in the light of the accession of Austria, Finland and Sweden to the European Union.

*1.3.86.* Council Regulation (EC) No 3360/94 establishing transitional measures for trade between Austria, Finland and Sweden, on the one hand, and the ACP countries, on the other; Decision 94/903/ECSC of the representatives of the Governments of the Member States, meeting within the Council, establishing transitional measures for trade between Austria, Finland and Sweden, on the one hand, and the ACP countries, on the other, in products falling within the ECSC Treaty.

**References:**

Accession to the European Union of Norway, Austria, Finland and Sweden: OJ C 241, 29.8.1994; Bull. 6-1994, point 1.3.15

Draft protocol adapting the fourth ACP-EC Convention signed in Lomé on 15 December

1989 to take account of the accession of the Republic of Austria, the Republic of Finland and the Kingdom of Sweden to the European Union: point 1.3.85 of this Bulletin

*Proposals adopted by the Commission on 9 December.*

COM(94) 545 and COM(94) 547

*Adopted by the Council and the representatives of the Governments of the Member States, meeting within the Council, on 22 December,* the purpose of the Regulation and Decision being to implement traditional measures pending the conclusion of the negotiations on the adaptation of the fourth Lomé Convention in the light of the enlargement of the European Union.

OJ L 356, 31.12.1994

*1.3.87.* Commission report to the Council on the situation and prospects of the rum market (Article 2(2)(b)) of Protocol 6 to the fourth ACP-EEC Convention, on rum).

*Adopted on 21 December.* The report assessed the situation of ACP and Community rum producers and the prospects of the rum market, proposing that tariff quotas on imports of light ACP rum be dropped from 1 January 1996, with quotas on traditional ACP rum being retained until 1 January 2002.

The report was accompanied by a Commission paper on the situation of Community rum producers (→ point 1.2.146) and a parallel report on the situation and prospects of the rum market under Council Decision 91/482/EEC on the association of the OCT (→ point 1.3.94).

*1.3.88.* Council conclusions on EDF budgeting options and procedures (→ point 1.5.1).

### *Support for ACP banana producers*

*1.3.89.* Commission financing decision

**Reference:** Council Regulation (CE) No 2686/94 establishing a special system of assistance to traditional ACP suppliers of bananas: OJ L 286, 5.11.1994; Bull. 10-1994, point 1.3.55

*Adopted on 20 December.* Purpose: to award ECU 200 000 to Suriname for a project to improve banana production techniques, leading to higher productivity and improved quality.

### *Institutions*

*1.3.90.* ACP-EU Council of Ministers

**References:**

Fourth ACP-EEC Convention: OJ L 229, 17.8.1991; Bull. 9-1991, point 1.3.38

Draft mid-term review of the fourth Lomé Convention: Bull. 1/2-1994, point 1.3.80

**Previous meeting:** Bull. 5-1994, point 1.3.58

*Twentieth meeting held in Brussels, from 30 November to 1 December.* The meeting was chaired jointly by Mr Justin Ndioro, Cameroon's Minister for Economic and Financial Affairs and President of the ACP Council of Ministers, and Mr Klaus Kinkel, Germany's Minister for Foreign Affairs and President of the Council of the European Union. The Commission was represented by Mr Marín.

The discussions focused on the negotiations for the mid-term review of the fourth Lomé Convention, launched at the previous meeting of the ACP-EU Council of Ministers. The parties took the opportunity to highlight the significant progress made in a number of areas, and to clarify their positions on issues still under discussion. The meeting noted the agreements reached on institutional and political matters and regional and cultural cooperation, while agreeing that work still needed to be done on procedural adjustments in the fields of financial cooperation, ACP access to the Community market, and the rules of origin.

A joint ACP-EU decision taken in response to a request from South Africa, represented at the meeting by Mr Trevor Manuel, Minister for Trade, granted that country observer status at the Ministerial Conference.

## *Bilateral relations*

### **Rwanda**

*1.3.91.* Parliament resolution on the situation in Rwanda.

#### **References:**

Parliament resolution on the situation in Rwanda: OJ C 323, 21.11.1994; Bull. 10-1994, point 1.3.66

Council guidelines on a programme of immediate action to restore social and production structures in Rwanda: Bull. 11-1994, point 1.3.70

*Adopted on 14 December.* Parliament called on the Member States to restore relations and cooperation with the Rwandan Government, and requested that all the proposed aid be released immediately, subject only to the condition that

human rights and the rule of law be respected, thus creating the secure conditions needed to enable the refugees to return. The resolution welcomed the extension of the jurisdiction of the United Nations International Tribunal on Human Rights to include genocide carried out in Rwanda, and called on the Union and its Member States to cooperate fully with that body. Parliament also asked the European Union to support the immediate deployment of 5 000 troops in the Rwandan refugee camps in Zaire, and called on the international community to prevent any armed reorganization of the militias responsible for the massacres.

OJ C 18, 23.1.1995

## **Relations with the OCT**

**Reference:** Council Decision 91/482/EEC on the association of the OCT with the EEC: OJ L 263, 19.9.1991; Bull. 7/8-1991, point 1.3.46

*1.3.92.* Commission communication to the Council on the mid-term review of the association of the OCT with the European Community.

**Reference:** Draft mid-term review of the fourth Lomé Convention: Bull. 1/2-1994, point 1.3.80

*Adopted on 21 December.* In this paper, the Commission proposed guidelines for the mid-term review of the convention on the association of the OCT with the European Community, scheduled by the provisions of the association decision to take place before 1 March 1995. Taking as its starting point an analysis of memoranda received from the OCT authorities, the Commission assessed cooperation strategy, EDF management, trade arrangements, and issues linked to the constitutions of the Member States concerned (United Kingdom, Denmark, France and the Netherlands) and to the ratification of the Union Treaty. Some of these topics, for example cooperation strategy, were related to progress in the negotiations then under way with the ACP countries.

COM(94) 538

*1.3.93.* Proposal for a Council Decision establishing transitional measures for trade between the Republic of Austria, the Republic of Finland

and the Kingdom of Sweden, on the one hand, and the OCT on the other.

**Reference:** Accession of Norway, Austria, Finland and Sweden: OJ C 241, 29.8.1994; Bull. 6-1994, point 1.3.15

*Adopted by the Commission on 9 December*, with the aim of establishing transitional measures taking account of the accession to the European Union of Austria, Finland and Sweden.

COM(94) 546

*1.3.94.* Commission report to the Council on the situation and prospects of the rum market (Article 2(b) of Annex V to Council Decision 91/482/EEC on the association of the OCT with the EEC, on rum).

*Adopted on 21 December.* Drawn up in line with Article 2(b) of Annex V to Council Decision 91/482/EEC on the association of the OCT with the EEC, the report assessed the situation and pro-

spects of the Community rum market and of OCT exports, proposing that tariff quotas on OCT rum imports be dropped on 1 January 1996.

The report was accompanied by a Commission paper on the situation of Community rum producers (→ point 1.2.146) and by a parallel report on the situation and prospects of the rum market in line with the provisions of the fourth Lomé Convention (→ point 1.3.87).

## Financial and technical cooperation

### 1.3.95. Project financing

Commission Decisions granting a total of ECU 299 972 000 from EDF resources for projects and programmes it is running (see Table 17).

Table 17 — *Financing operations under the sixth and seventh EDFs*

Country	Project	Amount	
		Grant	Special loan
	<i>Economic infrastructure</i>		
Sierra Leone	Roads	20.5	—
Mozambique/ Zimbabwe	Roads	21.5	—
SADC <sup>(1)</sup>	Transport and communications	5.8	—
Suriname	Roads	19.7	—
	<i>Industrialization</i>		
All ACPs	1995 budget of the Centre for Industrial Development (CID)	16.885	—
All ACPs	CID supplementary budget for 1994	0.295	—
	<i>Rural production</i>		
Jamaica	Agriculture	3.6	1.400
Trinidad and Tobago	Agriculture	5.0	—
Kenya/Uganda/ Tanzania	Fisheries	8.4	—
Comoros	Agriculture	1.9	—

(million ECU)

Country	Project	Amount	
		Grant	Special loan
All ACPs	1995 budget of the Technical Centre for Agricultural Cooperation and Development (TCA)	9.975	—
	<i>Social development</i>		
Turks and Caicos	Water engineering	3.7	—
Antigua/Barbados	Education and training	2.2	—
Caribbean region	Education and training	21	—
Zimbabwe	Village water supplies	6.1	—
Jamaica	Village water supplies	3	—
Cape Verde	Support for urban development	0.96	—
	<i>Special programmes</i>		
Regional: West Africa <sup>(1)</sup>	Endemic livestock diseases	32.9	—
	<i>Extraordinary aid</i>		
Haiti	Rehabilitation	25	—
Rwanda	Rehabilitation	39	—
Countries bordering on Rwanda	Rehabilitation	47	—
Kenya	AIDS	1.577	—
	<i>Other</i>		
Aruba	General technical cooperation	1.9	—
Nigeria	General technical cooperation	1.98	—
French Overseas Territories	General technical cooperation	0.1	—
	<b>Total</b>	<b>299.972</b>	<b>1.400</b>

<sup>(1)</sup> Southern African Development Community.<sup>(2)</sup> Burkina Faso, Central African Republic, Chad, Guinea, Mauritania, Niger, Senegal, Uganda.

## International organizations and conferences

1.3.96. The European Council welcomed the outcome of the summit of the Conference on Security and Cooperation in Europe, and in particular the agreement to contribute a multinational peace-keeping force for Nagorno-Karabakh and the decision to examine all aspects of a future European security model within the framework of the new Organization for Security and Cooperation in Europe (OSCE). It also underlined the importance it attached to the success of the joint action to secure the Stability Pact for Europe (→ point I.17).

### Conference on Security and Cooperation in Europe

1.3.97. Fourth Summit of Heads of State or Government and foreign ministers of the CSCE.

#### References:

Previous summit (Helsinki): Bull. 7/8-1992, point 1.4.100

Opening of fifth follow-up meeting: Bull. 10-1994, point 1.3.71

*Meeting held in Budapest on 5 and 6 December.* Mr Delors and Mr Van den Broek attended this summit which ended the fifth follow-up meeting, which had begun in Budapest in October. In his speech, Mr Delors underlined the European Union's contribution to security and stability in the context of the CSCE's objectives.

The summit culminated in the adoption of a paper entitled 'Towards a genuine partnership in a new era', which reaffirms the participants' commitment to the founding principles of the CSCE in the building of a new security partnership and to a more effective use of such instruments as preventive diplomacy, conflict prevention and crisis management. This policy statement marked the CSCE's transformation, on 1 January 1995, into the Organization for Security and Cooperation in Europe, and provided for the incorporation into it of the results of the negotiations under way on the Stability Pact. With regard to regional issues, an agreement was reached on the dispatch of an OSCE peace-keeping force to Nagorno-Karabakh, albeit subject to the prior adoption of a resolution by the UN Security Council.

It was also agreed that preventive diplomacy would be stepped up in Georgia, Moldova and the Baltic States. Agreement could not yet be reached, however, on the OSCE's participation in peace-keeping operations arising from other initiatives. There was agreement nevertheless on the launch of a work programme in the fields of security and non-proliferation and a politico-military code of conduct on the use and democratic control of the armed forces. It was also agreed that the synergies between the security side of the OSCE and its human and economic dimensions, including through the Economic Forum, would be reinforced and that relations with the non-participating Mediterranean countries would be tightened. Lastly, on the basis of a Russian proposal, the OSCE would be beginning a broad-based debate on a common security model for the 21st century with a view to reaching practical decisions at the next summit, which was scheduled for Lisbon in 1996. In the meantime, outstanding issues would be dealt with by the Foreign Ministers at their meeting in Budapest at the end of the year.

### General Agreement on Tariffs and Trade

1.3.98. Council Decision concerning the conclusion of the results of the Uruguay Round of multilateral trade negotiations (1986-94).

**Commission proposal:** COM(94) 143; Bull. 4-1994, point 1.3.61

*Assent given by Parliament on 14 December.*

OJ C 18, 23.1.1995

*Agreed by the Council on 19 December.*

*Formally adopted on 22 December.* This Council Decision endorses the results of the Marrakesh agreements of 15 April 1994, which marked the end of the Uruguay Round launched at Punta del Este in 1986. The Decision concerns three sets of acts:

□ the multilateral acts included in the Final Act, namely the Agreement establishing the World Trade Organization (WTO) and those on customs duties, market access, agriculture, textiles, subsidies, safeguards, services, intellectual property rights and dispute settlement along with the ministerial declarations and decisions, and

the memorandum of agreement on commitments relating to financial services. The WTO replaced the GATT on 1 January. This organization offers a framework conducive to the settlement of trade disputes at multilateral rather than bilateral level;

□ plurilateral trade agreements concerning trade in civil aircraft, the dairy sector and beef. The agreement on public procurement draws heavily on the Community's rules in the matter. It should enter into force in 1996, replacing the existing GATT code. This agreement is founded on the concept of 'national treatment', whereby foreign suppliers of goods and services have to enjoy the same treatment as domestic suppliers;

□ the bilateral agreements and arrangements negotiated by the Community during the Uruguay Round with Australia and Uruguay on coal and beef respectively.

*1.3.99. Council Directive, Regulations and Decision amending legislation for the implementation of the Uruguay Round.*

**Regulations amended:**

Council Regulation (EEC) No 3030/93 on common rules for imports of certain textile products from third countries: OJ L 275, 8.11.1993; Bull. 10-1993, point 1.3.82

Council Regulation (EEC) No 40/94 on the Community trademark: OJ L 11, 14.1.1994; Bull. 12-1993, point 1.2.38

**Regulation repealed:** Council Regulation (EC) No 518/94 on common rules for imports and repealing Regulation (EEC) No 288/82: OJ L 67, 10.3.1994; Bull. 3-1994, point 1.3.88

**Commission proposals:** COM(94) 414; Bull. 10-1994, point 1.3.70

*Endorsed by Parliament on 14 December.* Parliament suggested amendments to the various acts, in particular providing for implementation reports to Parliament, introducing articles specifically concerning procedures for taking account of the Community interest, cutting the investigation period laid down in the trade defence measures against dumped or subsidized imports and setting 1 January 1995 as the date of entry into force of the various acts.

OJ C 18, 23.1.1995

*Agreed by the Council on 19 December.*

*Formally adopted on 22 December.* In the course of implementing the results of the Uruguay Round embodied in the Final Act signed in

Marrakesh on April 15 1994, the Council adopted the following adjustments and amendments to Community legislation:

□ Council Directive on pre-shipment inspections for exports from the Community. This Directive is intended to regulate, on Community customs territory, the activities of pre-shipment inspection bodies which, on behalf of the governments or official entities of non-member countries, check the quantity, quality or price of goods destined for export to those countries.

□ Council Regulation amending Council Regulation (EEC) No 3030/93 on common rules for imports of certain textile products from third countries. This Regulation is designed to bring the safeguard measures into line with those of the new WTO Agreement on textiles and clothing and adjust Community quantitative limits affecting imports from members of the WTO.

□ Council Regulation on the adjustments and transitional arrangements required in the agriculture sector in order to implement the agreements concluded during the Uruguay Round of multilateral trade negotiations. This Regulation incorporates into Community law the agricultural provisions of the agreements concluded, namely those governing trade with non-member countries, protecting designations of origin and covering veterinary and plant-health aspects of international trade.

□ Proposal for a Parliament and Council Regulation amending Council Regulation (EEC) No 1576/89 laying down general rules on the definition, description and presentation of spirit drinks and Council Regulation (EEC) No 1601/91 laying down general rules on the definition, description and presentation of aromatized wines, aromatized wine-based drinks and aromatized wine-product cocktails following the Uruguay Round of the multilateral trade negotiations (→ point 1.2.158).

□ Council Regulation on protection against dumped imports from countries not members of the European Community. This Regulation takes account of the agreements concluded in the multilateral trade negotiations, laying down rules on the definition and determination of dumping and the commercial defence measures that may be taken.

□ Council Regulation on protection against subsidized imports from countries which are not members of the European Community. This

Regulation lays down the rules governing protection against subsidized imports from non-member countries and provides that a countervailing duty may be imposed to offset any subsidy that is granted.

□ Council Regulation on common rules for imports and repealing Regulation(EC) No 518/94. This Regulation introduces a number of changes to the previous rules, particularly with regard to such concepts as 'serious injury' and 'Community producers', safeguard measures, quotas and developing countries.

□ Council Regulation on the strengthening of the common commercial policy, in particular with regard to protection against illicit commercial practices and adverse trade effects suffered by Community enterprises, and to the exercise of the Community's rights under international trade rules.

□ Regulation amending Council Regulation (EC) No 40/94 on the Community trade mark for the implementation of the agreements concluded in the framework of the Uruguay Round. The Regulation makes a number of amendments to Regulation (EC) No 40/94, in order to introduce into Community law the provisions of the Agreement on trade-related aspects of intellectual property rights (the TRIPs Agreement).

□ Council Decision on the extension of the legal protection of topographies of semi-conductor products to persons from a member country of the World Trade Organization. This decision extends the legal protection of semi-conductor topographies to natural persons who are nationals of a member country of the Agreement establishing the WTO as well as to legal persons operating in one of those countries.

*1.3.100.* Parliament resolution on the conclusion of the Uruguay Round and the future activities of the WTO.

*Adopted on 15 December.* Parliament welcomed the conclusion of the Uruguay Round and the setting-up of the WTO. It stressed the need for the Union to take a common line even in those areas which were not the Union's exclusive responsibility, calling on the Member States to accept the Commission as the Union's sole representative in all areas of the WTO's activities. Parliament underlined the need for the WTO to link trade issues to social and environmental protection. It also considered it vital that the WTO examine the inclusion of a social clause

based on the ILO Conventions on child labour, forced labour and trade union and collective bargaining rights.

OJ C 18, 23.1.1995

## Western European Union

*1.3.101.* Visit to the Commission by Mr José Cutileiro, Secretary-General of the WEU, on 20 December.

Mr Cutileiro met Mr Van den Broek, with whom he discussed the development of a European security and defence identity and the limits to and prospects for a common foreign and security policy (CFSP). Mr Van den Broek stressed the diversity of the causes of instability in Europe and the need for the European Union to acquire quickly an operational military capacity. In particular, they discussed the importance of improving the CFSP decision-making process.

## European Bank for Reconstruction and Development (EBRD)

### *Financing*

#### **Albania**

##### *Banca Italo-Albanese*

*1.3.102.* The Bank took a stake equivalent to ECU 2 million in the Banca Italo-Albanese. This investment will enable a commercial branch to be set up in Albania, the country's first private financial institution.

#### **Azerbaijan**

##### *Yenikend hydroelectric plant*

*1.3.103.* The Bank granted a loan of USD 53.24 million (equivalent to ECU 42.59 million) to Azerenerji, the national energy company. The loan is guaranteed by the Azeri Government and will enable the construction of the Yenikend hydroelectric plant to be completed.

#### **Bulgaria**

##### *Euro Merchant Balkan Fund (EMBF)*

*1.3.104.* The Bank took a stake equivalent to ECU 7.5 million in EMBF, a risk-capital fund



set up in Luxembourg primarily for investment in Bulgaria.

#### *Delta dairy*

1.3.105. The Bank invested a total equivalent to ECU 2.7 million in two enterprises. The first will enable Delvi-P to manufacture ice cream, while the second will help Dinteg I finance the construction of 16 cold stores in Bulgaria. Both projects are sponsored by the Greek food-processing company Delta.

### **Georgia**

#### *Repair of hydroelectric plants*

1.3.106. The Bank granted a loan of USD 18.1 million (equivalent to ECU 15 million) to Sakenergo, the Georgian energy and electricity company. This is the first project accepted by the Bank in Georgia. The loan will enable the company to rehabilitate key hydroelectric plants, thereby increasing the output of electricity so sorely needed by the region's businesses. The use of modernized hydroelectric plants will help limit oil imports.

### **Hungary**

#### *Central Business Centre*

1.3.107. The Bank granted a loan of DM 19 million (equivalent to ECU 9.9 million) to Central Business Centre, as well as taking a stake equivalent to ECU 950 000 in this Hungarian-based company. The loan and the stake will enable the company to launch a project to build and operate a multi-purpose business centre in Budapest.

#### *MOL — gas storage facility*

1.3.108. The Bank granted a loan equivalent to ECU 44.85 million to enable the company MOL to build and commission a gas storage facility in Hungary. The loan will also help strengthen safety standards in Hungary's natural gas distribution network.

### **Latvia**

#### *Road project*

1.3.109. The Bank granted the Latvian Government a loan of USD 10.40 million (equiv-

alent to ECU 9.20 million) for the restoration of its road system and the improvement of its transport network.

### **Poland**

#### *Przemyslowo-Handlowy w Krakowie SA*

1.3.110. The Bank took a stake equivalent to ECU 36 million to support the abovementioned Polish bank in its privatization process.

#### *Pioneer investment fund*

1.3.111. The Bank took a stake of USD 7.5 million (equivalent to ECU 6.5 million) in the Pioneer Poland Fund, an investment fund which will provide financial and management help to private-sector firms (or firms undergoing privatization), in particular medium-sized businesses. Pioneer is an international group based in Boston.

#### *Ostoja SA and Azur Zycie SA*

1.3.112. The Bank took a stake equivalent to ECU 1.5 million in the Ostoja insurance company, a recently founded subsidiary of the French insurance company Azur. The company will develop insurance products for rural customers.

### **Slovakia**

#### *Slovnaft*

1.3.113. The Bank granted a loan of USD 30 million (equivalent to ECU 24.5 million) to Slovnaft, the national refinery and petrochemicals company currently undergoing privatization. The loan will enable the company to launch an investment plan aimed at extending and modernizing its network of service stations. Part of the loan (USD 10 million) will be syndicated.

### **Romania**

#### *Banca Agricola information technology loan*

1.3.114. The Bank granted the Banca Agricola a loan of USD 12 million (equivalent to ECU

10.5 million) to finance information technologies, particularly computer hardware and software. The Banca Agricola will also receive technical cooperation financed by the Union to help it manage the information technology project.

*Banca de Credit Cooperatist SA*

1.3.115. The Bank granted a loan of USD 20 million (equivalent to ECU 16 million) to the Banca de Credit Cooperatist ('Bankcoop'), which will use it to provide medium-term loans to Romanian SMEs.

**Russia**

*Orbita Bank — business support project*

1.3.116. The Bank granted Russia a loan equivalent to ECU 82 million to finance SMEs through a group of 36 selected commercial banks. The operation is being cofinanced by the World Bank, which is providing a further USD 200 million. The management and financial probity of the commercial banks involved will receive backing from another EBRD operation aimed at Russia's financial sector.

*St. Petersburg risk capital fund*

1.3.117. The Bank took a stake of USD 30 million in this fund (equivalent to ECU 25 million), which will offer equity financing and technical assistance to private firms (or firms undergoing privatization).

*Risk capital fund for Russian firms in Eastern Siberia*

1.3.118. The Bank took a stake of USD 30 million (equivalent to ECU 24.4 million) in this fund, which will cover the risks associated with such projects by offering equity financing together with technical assistance for the modernization, expansion and/or restructuring of private (or recently privatized) firms. The project will contribute to the region's long-term development.

*SME support fund — Petrovsky Bank and Kuzbassotsbank*

1.3.119. The Bank granted loans of ECU 1.2 million and ECU 600 000 respectively to the

above banks as part of its project to support Russian SMEs.

*Nizhnevartovsk oil and gas*

1.3.120. A loan of USD 60 million (equivalent to ECU 48.9 million) was granted to the Nizhnevartovsk oil production association. The aim of the project is to restart production at about 600 oil wells, which have been brought almost to a standstill by a lack of investment and poor management of the oil-bearing strata. The project should result in output of about 10 million tonnes of oil a year, some of which will be exported to generate the foreign exchange needed to repay the loan.

*Vasyugan oil wells*

1.3.121. A loan equivalent to ECU 11.4 million was granted to improve the operation of six oil wells in the Tomsk region of Siberia. The recipient is a Russo-Canadian joint venture linking Fracmaster, a Canadian oil production company, Tomskneft, the national oil company and Vasyuganneft, a local firm. The loan will be repaid from export earnings.

**Slovenia**

*Papirnica Kolicveo*

1.3.122. The Bank took a stake of ECU 2.64 million in this paperboard producer and granted it a loan of ECU 10.37 million. The financing will enable this recently privatized firm to restructure its capital and improve existing plant so that it can recycle its waste in accordance with Union standards.

*SKB Bank*

1.3.123. The Bank took a stake of DM 31.5 million (equivalent to ECU 16.6 million) in SKB, Slovenia's second private bank, so enabling it to expand its domestic operation by the public sale of its shares and improved management capacities.

**Ukraine**

*SME credit line*

1.3.124. This loan will enable the Ukrainian national bank to support the development of pri-

vate commercial banks and finance a selection of SMEs.

## Common commercial policy

### Operation of the customs union

*1.3.125.* Council Decision 94/789/EC accepting, on behalf of the Community, Annexes E.7 and F.4 to the International Convention on the Simplification and Harmonization of Customs Procedures (Kyoto Convention).

**Commission proposal:** COM(94) 325; Bull. 7/8-1994, point 1.3.86

*Adopted by the Council on 8 December.* The aim of the proposal is to accept on behalf of the Community, with certain reservations, the annexes to the Kyoto Convention concerning the duty-free replacement of goods and customs formalities in respect of postal traffic.

OJ L 331, 21.12.1994

*1.3.126.* Proposal for a Council Regulation on mutual assistance between the administrative authorities of the Member States and their cooperation with the Commission to ensure proper application of customs and agricultural legislation (→ *point 1.5.15*).

*1.3.127.* Council Regulation (EC) No 3295/94 laying down measures to prohibit the release for free circulation, export, re-export or entry for a suspensive procedure of counterfeit and pirated goods.

**Regulation repealed:** Council Regulation (EEC) No 3842/86 laying down measures to prohibit the release for free circulation of counterfeit goods: OJ L 357, 18.12.1986; Bull. 12-1986, point 2.1.82

**Commission proposal:** OJ C 238, 2.9.1993; COM(93) 329; Bull. 7/8-1993, point 1.3.64

**Economic and Social Committee opinion:** OJ C 52, 19.2.1994; Bull. 12-1993, point 1.3.71

**Parliament opinion:** OJ C 61, 28.2.1994; Bull. 1/2-1994, point 1.3.102

**Amended Commission proposal:** OJ C 86, 23.3.1994; COM(94) 43; Bull. 1/2-1994, point 1.3.102

**Council agreement:** Bull. 3-1994, point 1.3.82; Bull. 6-1994, point 1.3.70

Parliament, consulted afresh on the legal basis on 16 December, stated that Article 113 should be the sole legal basis for the proposal and proceeded to invoke the consultation procedure. It also adopted amendments intended mainly to reinforce the measures proposed.

OJ C 18, 23.1.1995

*Adopted by the Council on 22 December.* This Regulation, adopted on the basis of Article 113 of the EC Treaty, is intended to strengthen the arrangements to combat counterfeit goods established by Regulation (EEC) No 3842/86. The new Regulation will cover not only the illicit use of trade marks, but also infringements of copyright and related rights and the unauthorized use of registered designs ('pirated goods'). It will also extend current Community legislation, hitherto restricted to imports, to other operations such as transit and export. Customs authorities will be authorized to take immediate precautionary measures (suspension of consignment, expert opinion) in respect of suspicious goods.

OJ L 341, 30.12.1994

*1.3.128.* Council Regulation (EC) No 3381/94 establishing arrangements for the control of exports of dual-use goods.

**Commission proposal:** OJ C 253; 30.9.1992; COM(92) 317; Bull. 7/8-1992, point 1.3.13

**Parliament opinion:** OJ C 268, 4.10.1993; Bull. 9-1993, point 1.3.58

*Adopted by the Council on 19 December.* This Regulation, complemented by a joint action adopted on the basis of Article J3 of the Treaty (→ *point 1.3.2*), constitutes a first step towards the implementation of a common system for the control of exports of dual-use goods (civil and military) in the context of completing the internal market. In particular, it makes provision for the establishment of authorization procedures based on the issue by the Member States of export licences valid throughout the European Union for exports of goods covered by the joint action. It also sets out the relevant customs, administrative cooperation and control procedures. The Regulation and the joint action will enter into force on 1 March 1995.

OJ L 367, 31.12.1994

*1.3.129.* Council Regulation (EC) No 3258/94 and Commission Decision No 3248/94/ECSC

extending, respectively, Regulation (EC) No 665/94 and Decision No 1478/94/ECSC on the introduction of transitional tariff measures for Bulgaria, the Czech Republic, Slovakia, Hungary, Poland, Romania, Armenia, Azerbaijan, Belarus, Estonia, Georgia, Kazakhstan, Kyrgyzstan, Latvia, Lithuania, Moldova, Russia, Tajikistan, Turkmenistan, Ukraine, Uzbekistan, Croatia, Bosnia-Herzegovina, Slovenia and the Former Yugoslav Republic of Macedonia, until 31 December 1994 to take account of German unification.

**Regulation extended:** Council Regulation (EC) No 665/94: OJ L 83, 26.3.1994; Bull. 3-1994, point 1.3.84

**Decision extended:** Commission Decision No 1478/94/ECSC: OJ L 159, 28.6.1994; Bull. 6-1994, point 1.3.72

*Proposal for a Regulation (EC) adopted by the Commission on 7 December.*

COM(94) 580

*Draft Decision (ECSC) adopted by the Commission on 14 December.*

*ECSC Consultative Committee consulted on the proposal for a Decision (ECSC) on 16 December.*

*Assent given by the Council to the draft Decision (ECSC) on 19 December.*

Regulation (EC) adopted by the Council on 19 December and Decision (ECSC) adopted by the Commission on 22 December. The aim is to extend to 1995 the transitional arrangements introduced to take account of traditional trade flows between the former German Democratic Republic on the one hand and the Central and Eastern European countries and the former Soviet Union on the other.

OJ L 338, 28.12.1994; OJ L 339, 29.12.1994

## *Commercial policy instruments*

### **Council anti-dumping measures**

*1.3.130.* Proposal for a Council Regulation extending the provisional anti-dumping duty on imports of tungsten ores and concentrates, tungstic oxide, tungstic acid, tungsten carbide and fused tungsten carbide originating in the People's Republic of China.

**Reference:** Provisional duty: OJ L 248, 23.9.1994; Bull. 9-1994, point 1.3.50

*Adopted by the Commission on 21 December*

COM(94) 675

*1.3.131.* Proposal for a Council Regulation extending the provisional anti-dumping duty on imports of colour television receivers originating in Malaysia, the People's Republic of China, the Republic of Korea, Singapore and Thailand.

**Reference:** Provisional duty: OJ L 255, 1.10.1994; Bull. 9-1994, point 1.3.51

*Adopted by the Commission on 27 December.*

COM(94) 688

*1.3.132.* Council Regulation (EC) No 3319/94 imposing a definitive anti-dumping duty on imports of urea ammonium nitrate solution originating in Bulgaria and Poland, exported by companies not exempted from the duty, and collecting definitively the provisional duty imposed.

**References:**

Provisional duty: OJ L 162, 30.6.1994; Bull. 6-1994, point 1.3.81

Extension of provisional duty: OJ L 280, 29.10.1994; Bull. 10-1994, point 1.3.84

Undertaking: point 1.3.137 of this Bulletin

*Proposal adopted by the Commission on 12 December.*

COM(94) 656

*Adopted by the Council on 22 December.*

OJ L 350, 31.12.1994

*1.3.133.* Proposal for a Council Regulation imposing a definitive anti-dumping duty on imports of furfuraldehyde originating in the People's Republic of China.

**References:**

Provisional duty: OJ L 186, 21.7.1994; Bull. 7/8-1994, point 1.3.97

Extension of provisional duty: OJ L 298, 19.11.1994; Bull. 11-1994, point 1.3.92

*Adopted by the Commission on 22 December.*

COM(94) 683

*1.3.134.* Proposal for a Council Regulation amending the definitive anti-dumping measures applying to imports into the Community of urea originating in the former USSR and terminating the anti-dumping measures applying to imports

into the Community of urea originating in the former Czechoslovakia.

**References:**

Undertakings: OJ L 317, 7.11.1987; Bull. 11-1987, point 2.2.2

Initiation of review: OJ C 87, 27.3.1993; Bull. 3-1993, point 1.3.66

*Adopted by the Commission on 1 December.*

COM(94) 517

*1.3.135.* Council Regulation (EC) No 3009/94 amending Regulation (EEC) No 830/92 by repealing the anti-dumping duty on imports of certain polyester yarns originating in India.

**Commission proposal:** COM(94) 454; Bull. 11-1994, point 1.3.94

*Adopted by the Council on 8 December.*

OJ L 320, 13.12.1994

**Commission anti-dumping measures**

*1.3.136.* Commission Regulation (EC) No 3119/94 imposing a provisional anti-dumping duty on imports of ferro-silico-manganese originating in Russia, Ukraine, Brazil and South Africa.

**Reference:** Initiation: OJ C 210, 4.8.1993; Bull. 7/8-1993, point 1.3.83

*Adopted by the Commission on 19 December.*

OJ L 330, 21.12.1994

*1.3.137.* Commission Decision No 94/825/EC accepting an undertaking offered in connection with the anti-dumping proceeding concerning imports of urea ammonium nitrate solution originating in Bulgaria and Poland.

**References:**

Provisional duty: OJ L 162, 30.6.1994; Bull. 6-1994, point 1.3.81

Extension of provisional duty: OJ L 280, 29.10.1994; Bull. 10-1994, point 1.3.84

*Adopted by the Commission on 12 December.*

OJ L 350, 31.12.1994

*1.3.138.* Notice of initiation of a review of Commission Decision No 94/293/EC accepting undertakings given in connection with the anti-dumping proceeding concerning imports of ammonium nitrate originating in Lithuania and Russia.

**Reference:** Undertakings: OJ L 129, 21.5.1994; Bull. 4-1994, point 1.3.82

*Published on 6 December.*

OJ C 343, 6.12.1994

*1.3.139.* Notice of the impending expiry of certain anti-dumping measures concerning the import of certain photo albums originating in the Republic of Korea and Hong Kong.

**Reference:** Undertakings: OJ L 138, 31.5.1990; Bull. 5-1990, point 1.3.64

*Published on 2 December.*

OJ C 338, 2.12.1993

*1.3.140.* Notice of intention to review anti-dumping measures concerning imports of certain types of electronic microcircuits known as DRAMs originating in Japan.

**Reference:** Undertakings: OJ L 20, 25.1.1990; Bull. 1/2-1990, point 1.2.84

*Published on 29 December.*

OJ C 373, 29.12.1994

**Anti-subsidy measures**

*1.3.141.* Notice of initiation of a review of Council Regulation (EC) No 2271/94 imposing a definitive countervailing duty on imports of ball bearings with a greatest external diameter not exceeding 30 mm originating in Thailand but exported to the Community from another country, and of Commission Decision 94/639/EC accepting a modified version of the undertaking offered by the Royal Thai Government in connection with the above proceeding.

**References:**

Definitive duty: OJ L 163, 6.7.1993; Bull. 6-1993, point 1.3.67

Amendment of definitive duty: OJ L 247, 22.9.1994; Bull. 9-1994, point 1.3.54

Undertaking: OJ L 163, 6.7.1993; Bull. 7/8-1993, point 1.3.95

Amendment of undertaking: OJ L 247, 22.5.1994; Bull. 7/8-1994, point 1.3.104

*Published on 9 December.*

OJ C 348, 9.12.1994

**Community surveillance**

*1.3.142.* Commission Recommendation No 3118/94/ECSC on prior Community surveillance of imports of certain iron and steel prod-

ucts covered by the ECSC Treaty originating in non-member countries.

**Reference:** Commission Recommendation No 85/94/ECSC: OJ L 17, 20.1.1994; Bull. 1/2-1994, point 1.2.136

*Adopted by the Commission on 19 December.* The aim is to extend to 1995 the surveillance measures laid down in Recommendation 85/94/ECSC on imports of iron and steel products originating in third countries which are not parties to the Agreement on the European Economic Area.

OJ L 330, 21.12.1994

### *Common import arrangements*

*1.3.143.* Proposal for a Council Regulation amending Regulation (EC) No 519/94 on common rules for imports from certain third countries and repealing Regulations (EEC) Nos 1765/82, 1766/82 and 3420/83.

**Regulation to be amended:** Council Regulation (EC) No 519/94 (OJ L 66, 10.3.1994; Bull. 3-1994, point 1.3.89), amended by Council Regulation (EC) No 1921/94: OJ L 198, 30.7.1994; Bull. 7/8-1994, point 1.3.105

*Adopted by the Commission on 14 December.* The aim is to adjust the Community quotas introduced by Regulation (EC) No 519/94 on imports of certain products originating in China to take account of the accession of Austria, Finland and Sweden.

COM(94) 646

## **Individual sectors**

### *Textiles*

*1.3.144.* Council Regulation (EC) No 3036/94 establishing economic outward processing arrangements applicable to certain textiles and clothing products reimported into the Community after working or processing in certain third countries.

**Reference:** Conclusions of the Copenhagen European Council: Bull. 6-1993, point I.13

**Commission proposal:** COM(93) 259; Bull. 7/8-1993, point 1.3.100

**Amended Commission proposals:** COM(94) 328; Bull. 7/8-1994, point 1.3.108

*Adopted by the Council on 8 December.* This Regulation is intended firstly to implement the tariff concessions for Central and East European countries (duty-free import of products covered by the outward processing arrangements) agreed at the Copenhagen European Council and secondly, to bring the outward processing traffic arrangements into line with the single market, in particular through Community management of the quantitative quotas for textile and clothing products covered by those arrangements. Although the Commission had split its proposal, the two sets of provisions were ultimately combined in a single Regulation.

OJ L 322, 15.12.1994

*1.3.145.* Proposal for a Council Regulation amending Council Regulation (EC) No 517/94 on common rules for imports of textile products from certain third countries not covered by bilateral agreements, protocols or other arrangements, or by other specific Community import rules.

**Regulation to be amended:** Council Regulation (EC) No 517/94: OJ L 67, 10.3.1994; Bull. 3-1994, point 1.3.104

*Adopted by the Commission on 15 December.* The aim is to adjust the Community quantitative quotas introduced by Regulation (EC) No 517/94, to take account of the accession of Austria, Finland and Sweden.

COM(94) 633

*1.3.146.* Council Regulation (EC) No 3313/94 establishing a transitional regime applicable to the importation into Austria, Finland and Sweden of certain textile products falling under Regulations (EEC) No 3951/92, (EEC) No 3030/93 and (EC) No 517/94.

#### **References:**

Council Regulation (EC) No 517/94 on common rules for imports of textile products from certain third countries not covered by bilateral agreements, protocols or other arrangements, or by other specific Community import rules: OJ L 67, 10.3.1994; Bull. 3-1994, point 1.3.104

Council Regulation (EEC) No 3951/92 on the arrangements for imports of certain textile products originating in Taiwan (OJ L 405, 31.12.1992; Bull. 12-1992, point 1.4.68), as last amended by Council Regulation (EC) No 3312/94: OJ L 350, 31.12.1994; point 1.3.147 of this Bulletin

Council Regulation (EEC) No 3030/93 on common rules for imports of certain textile prod-

ucts from third countries (OJ L 275, 8.11.1993; Bull. 10-1993, point 1.3.82), as last amended by Commission Regulation (EC) No 195/94: OJ L 29, 2.2.1994

*Proposal adopted by the Commission on 15 December.*

COM(94) 634

*Adopted by the Council on 22 December.* The aim is to establish transitional measures applicable to imports into Austria, Finland and Sweden shipped before 1 January 1995.

OJ L 350, 31.12.1994

*1.3.147.* Council Regulation (EC) No 3312/94 amending Regulation (EEC) No 3951/92 on the arrangements for imports of certain textile products originating in Taiwan.

**Regulation amended:** Council Regulation (EEC) No 3951/92: OJ L 405, 31.12.1992; Bull. 12-1992, point 1.4.68

*Proposal adopted by the Commission on 14 December.*

*Adopted by the Council on 22 December.* The aim is to adjust the quantitative limits applicable to textile products originating in Taiwan to take account of the accession of Austria, Finland and Sweden to the European Union.

OJ L 350, 31.12.1994

## Development policy

### General

*1.3.148.* Commission communication to the Council and Parliament on the European Union's priorities for the World Summit for Social Development (Copenhagen, March 1995).

**Reference:** Commission White Paper on European social policy — A way forward for the Union: COM(94) 333; Bull. 7/8-1994, point 1.2.163

*Adopted by the Commission on 21 December.* In its communication the Commission outlines a

position to be adopted by the European Union at the World Summit for Social Development, which will be held in Copenhagen in March 1995. The paper sets out the principles that should govern the social development process, such as democracy, the integration of social and economic policy, the opening-up of markets and competition, while the role of long-term structural action is also underlined.

The Commission identifies a number of priority objectives for social policy. In a multilateral context it advocates the formulation of objectives related to the level of development, particularly as regards nutrition, education and health; social rights with reference to International Labour Organization conventions; and inclusion of a social dimension in international structural adjustment policies. In a bilateral perspective the Commission suggests that the Union enter into reciprocal undertakings with countries accorded financial aid or trade preferences concerning the implementation of projects that promote social development.

COM(94) 669

### Generalized preferences

**Reference:** Commission communication to the Council and Parliament on integration of developing countries in the international trading system. Role of the GSP 1995-2004: COM(94) 212; Bull. 6-1994, point 1.3.91

*1.3.149.* Council Regulation (EC) No 3281/94 applying a four-year scheme of generalized tariff preferences (1995-98) in respect of certain industrial products of the developing countries.

**Commission proposal:** OJ C 333, 29.11.1994; COM(94) 337; Bull. 9-1994, point 1.3.59

**Economic and Social Committee opinion:** Bull. 10-1994, point 1.3.97

**Parliament opinion:** OJ C 341, 5.12.1994; Bull. 11-1994, point 1.3.100

*Adopted by the Council on 19 December.* In order to simplify a scheme that will be in operation for four years, the Regulation provides for the replacement of volume restrictions by tariff modulation according to the sensitivity of the sectors concerned. To this end, four lists of products (and product groups) have been estab-

lished. To achieve greater transparency, there is a specific product/country safeguard clause based on the criterion of serious difficulties or threat of serious difficulties. There is also a sector/country graduation mechanism, the aim of which is to modulate the working of the system in line with a country's level of development and gradually exclude from the system some industrial products from some countries on the basis of their level of industrial development, so shifting the benefits of the system to the least-developed countries. These new rules will be gradually phased in. From January 1998 special incentive arrangements concerning social and environmental measures will come into play: additional preferences will be offered to countries which so request and have given undertakings.

OJ L 348, 31.12.1994

*1.3.150.* Council Regulation (EC) No 3282/94 extending into 1995 the application of Regulations (EEC) Nos 3833/90, 3835/90 and 3900/91 applying generalized tariff preferences in respect of certain agricultural products originating in developing countries.

**Regulations extended:**

Council Regulations (EEC) No 3833/90 and No 3835/90 (OJ L 370, 31.12.1990; Bull. 12-1990, point 1.4.54), as last amended by Regulation (EC) No 3668/93: OJ L 338, 31.12.1993; Bull. 12-1993, point 1.3.61

Council Regulation (EEC) No 3900/91: OJ L 368, 31.12.1991; Bull. 12-1991, point 1.3.42

**Commission proposal:** OJ C 333, 29.11.1994; COM(94) 337; Bull. 9-1994, point 1.3.59

**Economic and Social Committee opinion:** Bull. 10-1994, point 1.3.97

**Parliament opinion:** OJ C 341, 5.12.1994; Bull. 11-1994, point 1.3.101

*Adopted by the Council on 19 December.* The Regulation extends into 1995 the generalized preferences applied to agricultural products.

OJ L 348, 31.12.1994

## Instrument 'EC Investment Partners' (ECIP)

**Reference:** Council Regulation (EEC) No 319/92 on the implementation for a trial period of the European Communities Investment Partners

financial instrument for countries of Latin America, Asia and the Mediterranean region: OJ L 35, 12.2.1992; Bull. 1/2-1992, point 1.4.41

*1.3.151.* Commission communication to the Council for the prolongation of the validity of the Council Regulation (EEC) No 319/92 governing the 'EC Investment Partners' financial instrument.

**Reference:** Proposal for a Council Regulation on the implementation of the EC Investment Partners financial instrument for the countries of Latin America, Asia, the Mediterranean region, and South Africa: Bull. 10-1994, point 1.3.98

*Adopted by the Commission on 14 December.* The Council was asked to adopt conclusions authorizing the Commission to continue operation of the ECIP in accordance with Regulation No 319/92 pending the adoption of the new ECIP Regulation.

COM(94) 632

*1.3.152.* Council conclusions on the extension of the ECIP Regulation.

*Adopted by the Council on 22 December.*

'The Council is conscious of the need for continuity in the application of the ECIP instrument. For its part, it will make every effort to ensure that the future ECIP Regulation is adopted as soon as possible after 1 January 1995. The Council notes that from this date, and until the adoption of the future Regulation, the Commission intends to continue its operations in accordance with Regulation (EEC) No 319/92.'

## Cooperation via non-governmental organizations

*1.3.153.* Projects in developing countries.

*Commission cofinancing:* commitment of ECU 5 547 542 for 36 operations.

*1.3.154.* Campaigns to raise public awareness

*Commission contribution:* ECU 1 428 152 for 14 operations.



## Rehabilitation aid

1.3.155. Rehabilitation in developing countries (see Table 18).

Table 18 — *Rehabilitation aid in developing countries*

(million ECU)	
Purpose	Amount
Nicaragua: institutional support for an institute of research and administrative assistance (IIAL)	0.62
Cambodia: contribution for the reintegration of expatriate Khmer élites as part of the recovery process	0.8

## Food aid

1.3.156. Commission report to the Council and Parliament on Community food aid and management in 1992, presented pursuant to Article 12 of Council Regulation (EEC) No 3972/86, as amended by Council Regulation (EEC) No 1930/90, 20 June 1990.

Table 19 — *Food aid allocations*

Country/organization	Cereals (tonnes)	Milk powder (tonnes)	Vegetable oil (tonnes)	Sugar (tonnes)	Other products (million ECU)	Substitution operations (million ECU)
Angola	40 000	—	5 000	—	2.85	—
Egypt	100 000	—	—	—	—	—
Honduras	1 350	630	80	—	0.08	1.5
Nicaragua	2 000	80	1 300	—	0.2	—
Senegal	—	—	—	—	—	0.5
NGOs	200 000	7 000	12 500	445	8	—
Cofinancing	—	—	—	—	2	—

**Reference:** Council Regulation (EEC) No 3972/86 on food-aid policy and food-aid management (OJ L 370, 30.12.1986; Bull. 12-1986, point 2.2.31), as amended by Regulation (EEC) No 1930/90, OJ L 174, 7.7.1990; Bull. 6-1990, point 1.4.43

*Adopted by the Commission on 12 December.* The report describes the programming and mobilization of food aid which in 1992 totalled 2 340 000 tonnes of food worth ECU 801 million. This aid was made up of standard food aid and aid under the special programme drawn up in response to the drought that hit southern Africa in 1992.

COM(94) 552

1.3.157. Financing decisions.

*Adopted by the Commission on 21 December.* Purpose: to award ECU 4.69 million to finance a food-aid monitoring operation that will ensure Community food aid is supervised and checked on the spot.

## Standard food aid

1.3.158. Commission decisions to grant food aid to the value of ECU 134 765 million (see Table 19).

## Support for democratization and human rights

1.3.159. Financing for operations to support democratization and human rights (see Table 20).

Table 20 — *Operations to support democratization and human rights*

<i>(ECU)</i>	
Purpose	Amount
Aid for training of national civilian police force of El Salvador	950 000
Aid for NGOs working to defend and promote human rights in Turkey	500 000
Strengthening of urban NGOs	120 000
Costa Rica: Central American police studies programme	74 700
UN centre for human rights in former Yugoslavia	75 500
Seven operations to aid transition to democracy in various countries	903 481
Two operations to aid human rights projects	50 625

## Humanitarian aid

1.3.160. Commission decisions (see Table 21).

Table 21 — *Emergency aid*

<i>(million ECU)</i>		
Country/region	Purpose	Amount
<i>Financing: EDF (ACP countries)</i>		
Central and East Africa	Refugees and displaced persons	1
Burundi, Uganda, Rwanda, Tanzania, Zaire	Rwandese and Burundians	45

Country/region	Purpose	Amount
Djibouti	Floods	0.37
Niger	Tuareg refugees	0.07
Saint Lucia	Victims of Hurricane Debby	0.13
Sierra Leone	Displaced persons	1

### *Financing: 1994 ECHO budget*

Afghanistan	Fighting	2.57
Albania	Medical and sanitation aid	0.45
Algeria	Fact-finding mission Tuareg refugees	0.04 0.35
Armenia	Food aid	0.52
Armenia, Azerbaijan, Georgia	Aid for local population	7.6
Bolivia	Drought victims	0.23
Brazil	Medical aid	0.45
Bulgaria	Medical aid for hospitals	1
Burundi	Displaced persons	5
Cambodia	Civil strife	0.6
Cuba	Aid for victims of Hurricane Gordon	0.35
Egypt	Aid for victims of flooding and fires	0.13
El Salvador	Cholera epidemic	0.17
	Aid for Honduran refugees	0.17
Georgia (Abkhazia)	Food aid	0.24
Iraq	Aid for vulnerable sections of the populations	14

Country/region	Purpose	Amount
Mexico	Aid for the population of Chiapas affected by the fighting	0.28
Mongolia	Medical aid	1
Myanmar	Medical aid	0.24
Nicaragua	Medical/nutritional aid	0.5
Peru	Aid for flood victims	0.4
Philippines	Earthquake	0.2
Somalia	Medical aid Fighting	0.5 1
Sudan	Refugees and displaced persons	8
Sri Lanka	Fighting	0.37
Chechnya	Civil strife	0.31
Ukraine	Vaccination campaign for babies	1.68
Caucasian and Central Asian countries of the former USSR and Moldova	Fact-finding mission	0.04
Viet Nam	Floods	0.25
All countries	Disaster preparedness and prevention Studies — information — coordination — publications Evaluation	2.18 0.06 0.06

on the President of the United States to exercise clemency for Mr Peltier, sentenced in 1977 to two life sentences for the murder of two FBI agents in South Dakota in June 1975; failing clemency it urged that the sentence be commuted. It welcomed the initiative of Senator Daniel Inouye, who had proposed a congressional hearing in order to clarify the circumstances which led to Mr Peltier being charged with murder, and instructed its delegation to keep a watching brief on developments.

OJ C 23, 23.1.1995

### Iraq

*1.3.162.* Parliament resolution on the detention in Iraq of health professionals refusing to carry out amputations and branding.

*Adopted on 15 December.* Parliament demanded that the Iraqi authorities respect the internationally recognized ethical obligations of health professionals, rescind the decrees instituting amputation and branding as judicial punishments for offenders convicted of theft and immediately release all doctors imprisoned for refusing to carry out such measures. It also called on the Council and the Commission to exert pressure on Iraq to ensure that such atrocities were stopped and eliminated from Iraqi law.

OJ C 23, 23.1.1995

### Russia

*1.3.163.* Parliament resolution on compulsory AIDS tests for foreigners visiting Russia.

*Adopted on 15 December.* Asserting that the proposed law on AIDS tests for foreigners in Russia was a grave violation of international human rights and a discriminatory measure, Parliament urged the Russian Federation Council not to approve the draft law and President Yeltsin not to ratify it. It called on the Council and the Member States to lodge a strong protest with the Russian authorities against this regulation.

OJ C 23, 23.1.1995

## Human rights in the world

### United States

*1.3.161.* Parliament resolution on clemency for Mr Leonard Peltier.

*Adopted on 15 December.* Parliament called

### Sudan

*1.3.164.* Parliament resolution on the human rights situation in Sudan.

*Adopted on 15 December.* Parliament con-

demned all acts of terror committed in Sudan, whether by government forces or rebel factions. It condemned the government of Sudan for the continuing civil war in the south and for the killing, massacres, torture and other human rights abuses inflicted on the civilian population of southern Sudan and on displaced people throughout the country, particularly in the Khartoum area. It also deplored the conflict between the two rival factions of the Sudan People's Liberation Army (SPLA) that was the cause of additional suffering, hunger and the refugee problem. It called on the international community to reinforce the sanctions against Sudan and to bring pressure to bear on the government to respect human rights, including freedom of religion, throughout the entire country. It called on the Member States to extend their arms embargo on Sudan to include the transfer of military, security and police equipment, intelligence, technology, personnel and training, and called on the Commission and the Council to establish effective mechanisms to monitor the implementation of the Union's established arms embargo against Sudan by individual Member States. It also urged the OAU to intensify its efforts to bring an end to the hostilities through the established mechanism for the prevention, management and resolution of conflicts.

OJ C 23, 23.1.1995

## Togo

1.3.165. Parliament resolution on the human rights situation in Togo and the disappearance of Mr David Bruce.

*Adopted on 15 December.* Parliament called upon the authorities of Togo, as a signatory to the Lomé Convention, to respect human rights and called on the Council and the Commission to seek clarification regarding the abduction and disappearance, on 6 September, of Mr David Bruce, former head of the private office of the President of the High Council of the Republic.

OJ C 23, 23.1.1995

## Turkey

1.3.166. Parliament resolution on the trial of Turkish members of Kurdish origin of the Great Turkish National Assembly.

## References:

Parliament resolution on the trial of members of the Turkish Grand National Assembly: OJ C 305, 31.10.1994; Bull. 9-1994, point 1.3.71

EC-Turkey Association Council: point 1.3.62 of this Bulletin

Presidency press statement on behalf of the European Union on Turkey: point 1.3.10 of this Bulletin

*Adopted on 15 December.* Parliament condemned all aspects of the trial, the verdict handed down against the eight members of the Great Turkish National Assembly and the outlawing of their party, the DEP, as a persistent violation of the principles of Turkey's representative and pluralist democracy and of fundamental human rights. It expressed horror at the fact that Mr Faik Candan, one of the lawyers defending the Kurdish parliamentarians, had been found dead, his body riddled with bullets. It decided to submit to the Council a call for the immediate suspension of the talks on the establishment of a customs union between Turkey and the Union and called on the Council of Europe to urge Turkey to embark on a process of dialogue in order to seek a democratic solution to the legitimate aspirations of its 15 million citizens of Kurdish origin.

OJ C 23, 23.1.1995

## Former Yugoslavia

1.3.167. Parliament resolution on the survival of the Belgrade newspaper *Borba*.

*Adopted on 15 December.* Parliament stressed that it was in the interests of European democrats that freedom of the press, and in this instance the newspaper *Borba*, continue to operate unobstructed. It called on the Commission, the Council and the governments of the Member States to bring their influence to bear to ensure respect for *Borba's* independence, which the Belgrade Government was trying to destroy in order to take control of the newspaper.

OJ C 23, 23.1.1995

## Diplomatic relations

1.3.168. The following ambassadors, whose appointments took effect on 30 November, presented their letters of credence to the President

of the Council and the President of the Commission:

- HE Mr Peter Sobby Tsiamalili, Head of Mission of Papua New Guinea to the European Communities;
- HE Mr Youssouf Ouedraogo, Head of Mission of Burkina Faso to the European Communities.

*1.3.169.* The Government of the Republic of Uzbekistan announced that it was opening a Mission to the European Communities from 23 December 1994 and designated Mr Alisher Faizullaev as Chargé d'affaires, pending the accreditation of an ambassador.

This brings the number of diplomatic missions to 163.

## 4. Justice and home affairs cooperation

*1.4.1.* The European Council welcomed the progress made in implementing the action plan for cooperation in the fields of justice and home affairs approved in December 1993 but stressed the need for further advances in these areas, with particular reference to the fight against organized international crime, the fight against drugs and the fight against fraud. In particular it called for the rapid conclusion of the Convention establishing Europol (→ points I.26 to I.29).

### General

*1.4.2.* Parliament resolution on the progress made during 1994 in the implementation of cooperation in the fields of justice and home affairs pursuant to Title VI of the Treaty on European Union.

*Adopted on 13 December.* Parliament expressed dissatisfaction with the progress made in implementing Title VI of the Treaty on European Union, especially with regard to immigration and asylum and police, customs and judicial

cooperation, a situation it attributes to the Member States' insistence on intergovernmental cooperation practices, in particular the unanimity rule, and to the structure and restrictive nature of Title VI of the Treaty. It called on the Council and the Commission to join with it in concluding an interinstitutional agreement as soon as possible on the practicalities of cooperation in the fields of justice and home affairs and asked to be kept informed and to be consulted on the principal aspects of activities in this area.

OJ C 18, 23.1.1995

### Fraud

*1.4.3.* Council resolution on the legal protection of the financial interests of the Communities.

**Council agreement:** Bull. 11-1994, point 1.4.11

*Adopted on 6 December.*

OJ C 355, 14.12.1994

## 5. Financing Community activities

### Budgets

#### General budget

##### *General matters*

1.5.1. Council conclusions on arrangements and possibilities for budgetizing the European Development Fund (EDF).

**References:**

Interinstitutional Agreement on budgetary discipline and improvement of the budgetary procedure: OJ C 331, 7.12.1993; Bull. 10-1993, point 1.5.1

Commission report on arrangements and possibilities for budgetizing the EDF: Bull. 6-1994, point 1.5.1

*Adopted on 19 December.* After examining the Commission report on arrangements and possibilities for budgetizing the EDF in accordance with the undertakings given on conclusion of the Interinstitutional Agreement on budgetary discipline, the Council concluded that it would be inappropriate to amend the provisions currently applicable for the financing of the EDF.

##### *Financial perspective*

1.5.2. Adjustment of the financial perspective annexed to the Interinstitutional Agreement on budgetary discipline and improvement of the budgetary procedure.

**References:**

Interinstitutional Agreement on budgetary discipline and improvement of the budgetary procedure: OJ C 331, 7.12.1993; Bull. 10-1993, point 1.5.1

Conclusions of the Edinburgh European Council: Bull. 12-1992, points I.45 *et seq.*

Conclusions of the Essen European Council: point I.10 of this Bulletin

**Commission proposal:** COM(94) 398; Bull. 10-1994, point 1.5.1

*Agreed by the Council (economic and financial affairs) on 5 December.* The Council approved

the conclusions of the interinstitutional triologue meeting on the adjustment of the financial perspective with a view to enlargement held on 29 November.

*Resolution adopted by Parliament on 13 December.* Parliament endorsed the adjustment of the financial perspective produced by the triologue meeting on 29 November.

OJ C 18, 23.1.1995

*Signed in Strasbourg on 13 December.* The Council, Parliament and the Commission agreed the financial perspective of the enlarged Community of 15 Member States.

The ceilings for the following headings were raised for the whole of the period 1995 to 1999 to cover the requirements resulting from enlargement of the Union:

□ common agricultural policy: the agricultural guideline was increased by 74% of the relative GNP of the acceding countries;

□ structural operations: the Structural Fund allocations were increased for the acceding countries; at the same time, the three acceding countries' contributions to the EEA financial mechanism will be paid from the budget;

□ internal policies: the ceiling for this heading was raised by 7% in line with the relative size of the acceding countries' GNP;

□ external action: the ceiling for this heading was raised by 6.3% to allow external action to increase in proportion to the Union's additional financial capacity;

□ administrative expenditure: the ceiling for this heading (heading 5) rises by an average 4.66% over the period 1995 to 1999; however, in a joint statement, the institutions stated that expenditure under heading 5 will be reviewed in 1996 to take account of the financing requirements for the buildings of the European institutions and the staff requirements for the new Member States;

□ a new heading 7 was also added to cover the compensation which the new Member States will receive over the period 1995 to 1998.

The institutions also took advantage of this adjustment of the financial perspective and the new funds available to the Union to adapt the ceilings for headings 2 and 3 in line with specific requirements which have recently emerged. Heading 2 was increased by ECU 200 million (at 1995 prices) in three equal instalments between 1995 and 1997. This lump-sum increase for Community initiatives will be used to finance the Northern Ireland peace programme in accordance with the conditions laid down by the Essen European Council. Heading 3 was increased by ECU 400 million (1994 prices), spread evenly over the next five years, to finance the programme for the modernization of

the textile and clothing industry in Portugal, the principle of which was approved at the end of the Uruguay Round.

The margin for revision between the ceiling for appropriations for payments and the own resources ceiling in the new financial perspective for the enlarged Community is far greater than provided for at the Edinburgh European Council and now comes to 0.03% of GNP at the end of the period. The new table (see Table 22), expressed in 1992 prices, will in future replace the table agreed at the Edinburgh European Council.

Table 22 — *Financial perspective for the enlarged Union — Appropriations for commitments*

	(million ECU — 1992 prices)				
	1995 <sup>(1)</sup>	1996	1997	1998	1999
1. Common agricultural policy	35 354	37 245	37 922	38 616	39 327
2. Structural operations	24 477	26 026	27 588	29 268	30 945
Structural Funds <sup>(2)</sup>	22 369	23 668	24 980	26 610	28 345
Cohesion Fund	2 000	2 250	2 500	2 550	2 600
EEA financial mechanism <sup>(3)(4)</sup>	108	108	108	108	0
3. Internal policies	4 702	4 914	5 117	5 331	5 534
4. External action	4 549	4 847	5 134	5 507	5 953
5. Administrative expenditure	3 738	3 859	3 974	4 033	4 093
6. Reserves	1 100	1 100	1 100	1 100	1 100
Monetary reserve	500	500	500	500	500
Guarantee reserve	300	300	300	300	300
Emergency aid reserve	300	300	300	300	300
7. Compensation	1 547	701	212	99	0
8. Total approps. for commitments	75 467	78 692	81 047	83 954	86 952
9. Total approps. for payments	72 020	74 605	77 372	80 037	82 778
Appropriations for payments as % of GNP	1.21	1.21	1.22	1.23	1.24
Margin as % of GNP	0.00	0.01	0.02	0.03	0.03
Own resources ceiling as % of GNP	1.21	1.22	1.24	1.26	1.27

<sup>(1)</sup>The cumulative deflator applicable to the 1995 budget is 7.6%.

<sup>(2)</sup>Between 1996 and 1999, the annual technical adjustment for the amounts intended for the new Member States, which are fixed at 1995 prices in the Act of Accession, will be based on 1995 prices.

<sup>(3)</sup>Current prices.

<sup>(4)</sup>The ceiling for this subheading could be changed, if necessary, under the technical adjustment procedure provided for in paragraph 9 of the Inter-institutional Agreement in line with the actual payments in the course of each financial year.



## Budgetary procedures

### 1995 financial year

#### 1.5.3. Budget 1995.

**Commission preliminary draft:** Bull. 4-1994, point 1.5.5

**Council first reading:** Bull. 7/8-1994, point 1.4.2

**Letter of amendment No 1:** Bull. 9-1994, point 1.5.4

**Parliament first reading:** OJ C 323, 21.11.1994; Bull. 10-1994, point 1.5.3

**Council establishment of letter of amendment No 1:** Bull. 11-1994, point 1.5.2

**Council second reading:** Bull. 11-1994, point 1.5.2

**Letter of amendment No 2:** Bull. 11-1994, point 1.5.2

*Letter of amendment No 2 established by the Council on 5 December.*

*Approved by Parliament (second reading) on 15 December.*

OJ C 18, 23.1.1995

*Signed by the President of Parliament on 15 December.*

Totalling ECU 80 892 million, the budget adopted after Parliament's second reading (see Table 23) will cover all the requirements of the enlarged Community. The payment appropriations needed come to ECU 76 527 million; the own resources required thus total 1.184% of the GNP of the 15-nation Community. Agricultural spending totals ECU 37 925.5 million. The ECU 26 329 million entered under heading 2 (structural operations) will finance the Structural Funds, as provided at the Edinburgh European Council in December 1992, as well as operations under the new Objective 6, the extension of operations under the other objectives to the new Member States and the creation of a new Community initiative for peace and reconciliation in Northern Ireland with an allocation of ECU 66 million in 1995. Internal policies are allocated a total of ECU 5 506 million (ECU 4.3 million beneath the ceiling for heading 3 of the adjusted financial perspective). There has been an increase of 13.2% for research and 31% for the trans-European networks, the operation to assist the Portuguese textile industry has been allocated ECU 80 million, and there is a rise in

expenditure on the International Fund for Ireland, Socrates (ECU 175.9 million, up by 37%) and Leonardo (ECU 137.3 million, 24% higher). An enlargement reserve has been established for the other internal policies. The ECU 4 881 million entered for external action is ECU 13.6 million below the ceiling for heading 4 of the adjusted financial perspective. Cooperation with the Mediterranean countries (including the new MEDA operation) is allocated ECU 487.4 million, 21.9% more than in 1994, and ECU 110 million is proposed for operations under the common foreign and security policy, including ECU 60 million for the joint action relating to the administration of Mostar. When account is taken of the requirements resulting from enlargement, in particular in relation to the language service, administrative expenditure will increase overall by 10.3% — 6.7% for the Commission and 17.5% for the other institutions. This leaves a margin of ECU 13.7 million beneath the ceiling for heading 5. The monetary reserve is reduced by half (ECU 500 million) as promised at the Edinburgh European Council. Finally, the budget contains ECU 1 547 million in budgetary compensation for the new Member States. A supplementary and amending budget will be presented early in 1995 so that appropriations from the reserve can be allocated to specific budget headings. The supplementary and amending budget will also contain a breakdown of administrative expenditure and the establishment plan for each of the institutions.

## ECSC operating budget

### 1.5.4. ECSC operating budget for 1995.

**Decision amended:** ECSC High Authority Decision No 3-52 on the amount of and methods for applying the levies provided for in Articles 49 and 50 of the ECSC Treaty (OJ ECSC No 1, 30.12.1952), as last amended by Commission Decision No 2984/94/ECSC: OJ L 315, 8.12.1994; point 1.5.6 of this Bulletin

**Commission draft:** COM(94) 291; Bull. 7/8-1994, point 1.4.4

**ECSC Consultative Committee resolution:** OJ C 308, 4.11.1994; Bull. 10-1994, point 1.5.4

**Parliament opinion:** OJ C 323, 21.11.1994; Bull. 10-1994, point 1.5.4

**Commission approval:** Bull. 11-1994, point 1.5.3

Table 23 — 1995 budget — Parliament second reading (financial perspective, provisional figures) (appropriations for commitments, Parliament's nomenclature)

(ECU)								
Heading FP 95	Budget heading	Budget	Financial perspective for 1995	Preliminary draft budget for 1995	Difference (%)	Budget 1995	Difference (%)	Difference
Financial perspective for 1995		(1)	(2)	(3)	(4)=(3)/(1)	(5)	(6)=(5)/(1)	(7)=(5)/(3)
1	<i>Common agricultural policy</i>							
	Markets (B1-1 to B1-3)	34 520 000.000		35 578 000.000	3.06	35 559 000.000	3.01	-19 000.000
	Accompanying measures (B1-4 and B1-5)	267 000.000		1 416 000.000	430.34	1 416 500.000	430.52	500.000
	Reserve for enlargement (B1-7)			950 000.000		950 000.000		
	Total 1 Margin	34 787 000.000	37 944	37 940 000.000 0	9.08	37 925 500.000 18 500.000	9.02	-18 500.000
2	<i>Structural operations</i>							
	EAGGF-Guidance (B2-10)	3 343 000.000		3 316 000.000	-0.81	3 316 000.000	-0.81	
	FIFG (B2-11)	419 000.000		439 000.000	4.77	439 000.000	4.77	
	ERDF (B2-12)	9 030 000.000		10 593 000.000	17.31	10 593 000.000	17.31	
	ESF (B2-13)	6 457 000.000		6 444 000.000	-0.20	6 444 000.000	-0.20	
	Community initiatives (B2-14)	1 706 000.000		2 144 000.000	25.67	2 144 000.000	25.67	
	Transitional measures and innovation schemes (B2-18)	368 000.000		242 000.000	-34.24	242 000.000	-34.24	
	Other structural operations (B2-2)	—		—		—		
	Cohesion Fund (B2-3)	1 853 000.000		2 152 000.000	16.14	2 152 000.000	16.14	
	EEA financial mechanism (B2-4)			108 000.000		108 000.000		
	Reserve for enlargement (B2-40)			891 000.000		891 000.000		
	Structural Funds — Subtotal	21 323 000.000	24 069	24 069 000.000	12.88	24 069 000.000	12.88	
	Cohesion Fund — Subtotal	1 853 000.000	2 152	2 152 000.000	16.14	2 152 000.000	16.14	
	EEA financial mechanism — Subtotal		108	108 000.000		108 000.000		
	Total 2	23 176 000.000	26 329	26 329 000.000	13.60	26 329 000.000	13.60	
	Total margin							

Heading FP 95	Budget heading	Budget	Financial perspective for 1995	Preliminary draft budget for 1995	Difference (%)	Budget 1995	Difference (%)	Difference
		(1)	(2)	(3)	(4)=(3)/(1)	(5)	(6)=(5)/(1)	(7)=(5)/(3)
3	<i>Internal policies</i>							
	Research (B6)	2 622 423.000		2 818 646.000	7.48	2 968 696.000	13.20	150 050.000
	Other agricultural operations (B2-5)	205 825.000		199 500.000	-3.07	207 700.000	0.91	8 200.000
	Other regional operations (B2-6)	31 000.000		36 300.000	17.10	51 300.000	65.48	15 000.000
	Transport (B2-7)	16 000.000		14 500.000	-9.38	24 000.000	50.00	9 500.000
	Fisheries and the sea (B2-9)	25 640.000		26 000.000	1.40	26 100.000	1.79	100.000
	Education, vocational training, youth (B3-1)	287 500.000		323 700.000	12.59	361 450.000	25.72	37 750.000
	Culture and audiovisual sector (B3-2)	151 900.000		129 000.000	-15.08	137 700.000	-9.35	8 700.000
	Information and communication (B3-3)	47 500.000		58 000.000	22.11	57 000.000	20.00	-1 000.000
	Other social operations (B3-4)	156 630.000		154 447.000	-1.39	174 645.000	11.50	20 198.000
	Energy (B4-1)	83 000.000		60 000.000	-27.71	62 000.000	-23.30	2 000.000
	Euratom nuclear safeguards (B4-2)	19 480.000		17 000.000	-12.73	18 800.000	-3.49	1 800.000
	Environment (B4-3)	133 450.000		135 500.000	1.54	137 000.000	2.66	1 500.000
	Consumer protection (B5-1)	16 000.000		16 000.000	0.00	20 750.000	29.69	4 750.000
	Aid for reconstruction (B5-2)	9 250.000		6 300.000	-31.89	6 300.000	-31.89	
	Internal market (B5-3)	173 800.000		169 600.000	-2.42	152 530.000	-12.24	-17 070.000
	Industry (B5-4)	40 450.000		38 500.000	-4.82	117 700.000	190.98	79 200.000
	Information market (B5-5)	12 000.000		13 000.000	8.33	13 000.000	8.33	
	Statistical information (B5-6)	30 000.000		33 000.000	10.00	33 000.000	10.00	
	Trans-European networks (B5-7)	289 800.000		356 000.000	22.84	381 000.000	31.47	25 000.000
	Cooperation in the field of justice (B5-8)	2 000.000		5 000.000	150.00	5 000.000	150.00	
	Exploitation of results of research (B5-9)					Token entry		
	Reserve for enlargement, internal policies (B5-95)			408 000.000		100 000.000		-308 000.000
	Research — Subtotal	2 622 423.000		2 818 646.000	7.48	2 968 696.000	13.20	150 050.000
	Networks — Subtotal	89 800.000		356 000.000	22.84	381 000.000	31.47	25 000.000
	Other policies — Subtotal	1 441 425.000		1 843 347.000	27.88	1 705 975.000	18.35	-137 372.000
	Total 3	4 353 648.000	5 060	5 017 993.000	15.26	5 055 671.000	16.12	37 678.000
	Margin			42 007.000		4 329.000		

(ECU)

Budgets

Heading FP 95	Budget heading	Budget	Financial perspective for 1995	Preliminary draft budget for 1995	Difference (%)	Budget 1995	Difference (%)	Difference
Financial perspective for 1995		(1)	(2)	(3)	(4)=(3)/(1)	(5)	(6)=(5)/(1)	(7)=(5)/(3)
4	<i>External action</i>							
	EDF (B7-1)	—		—		—		
	Food and humanitarian aid (B7-2)	855 100.000		842 900.000	-1.43	847 900.000	-0.84	5 000.000
	Cooperation — Latin American countries and Asia (B7-3)	648 700.000		670 500.000	3.36	670 500.000	3.36	
	Cooperation — Mediterranean countries (B7-4)	399 850.000		440 000.000	10.04	487 400.000	21.90	47 400.000
	Other cooperation measures (B7-5)	587 000.000		601 283.000	2.43	646 783.000	10.18	45 500.000
	Cooperation — Central and Eastern Europe (B7-6)	1 463 000.000		1 597 600.000	9.20	1 582 600.000	8.17	-15 000.000
	Cooperation — Other third countries (B7-7)	50 000.000		52 000.000	4.00	52 000.000	4.00	
	External aspects of certain Community policies (B7-8)	284 190.000		300 200.000	5.63	294 200.000	3.52	-6 000.000
	Common foreign and security policy (B8)	20 000.000		50 000.000	150.00	110 000.000	450.00	60 000.000
	Reserve for enlargement, external policies (B7-95)			290 000.000		190 000.000		-100 000.000
	Total 4 Margin	4 307 840.000	4 895	4 844 483.000 50 517.000	12.46	4 881 383.000 13 617.000	13.31	36 900.000
5	<i>Administrative expenditure of institutions</i>							
	Commission (Part A not including pensions)	2 093 962.000		2 207 250.880	5.41	2 153 175.400	2.83	-54 075.520
	Pensions	334 761.000		357 127.000	6.68	351 147.000	4.89	-5 980.000
	Reserve for enlargement (AO-X5)			87 000.000		87 000.000		
	Commission — Total	2 428 723.000		2 651 377.880	9.17	2 591 322.400	6.69	-60 055.520
	Other institutions	1 205 877.000		1 257 918.370	4.32	1 337 699.800	10.93	79 781.447
	Reserve for enlargement, other institutions			83 000.000		79 300.000		-3 700.000
	Other institutions — Total	1 205 877.000		1 340 918.370	11.20	1 416 999.800	17.51	76 081.447
	Total 5 Margin	3 634 600.000	4 022	3 992 296.250 29 703.751	9.84	4 008 322.200 13 677.827	10.28	16 025.924

Heading FP 95	Budget heading	Budget	Financial perspective for 1995	Preliminary draft budget for 1995	Difference (%)	Budget 1995	Difference (%)	Difference
		(1)	(2)	(3)	(4)=(3)/(1)	(5)	(6)=(5)/(1)	(7)=(5)/(3)
6	<i>Reserves</i>							
	Monetary reserve (B1-6)	1 000 000.000		500 000.000	-50.00	500 000.000	-50.00	
	Guarantee (B0-23)	318 000.000		323 000.000	1.57	323 000.000	1.57	
	Emergency aid reserve (B7-91)	212 000.000		323 000.000	52.36	323 000.000	52.36	
	<b>Total 6 Margin</b>	1 530 000.000	1 146	1 146 000.000 0	-25.10	1 146 000.000 0	-25.10	
7	<i>Compensation</i>							
	Compensation (B1-7)			1 547 000.000		1 547 000.000		
	<b>Total 7 Margin</b>		1 547	1 547 000.000 0		1 547 000.000 0		
	<b>Grand total — Apprs. for commitments</b>	37 222 094.000		41 468 209.000	11.41	41 420 470.000	11.28	-47 739.000
	Compulsory							
	Non-compulsory	34 566 994.000		39 352 563.200	13.84	39 472 406.000	14.19	119 842.920
	<b>Total compulsory + non-compulsory</b>	71 789 088.000	80 943	80 820 772.200	12.58	80 892 876.000	12.68	72 103.924
	<b>Margin</b>			122 227.751		50 123.827		
	<b>Grand total — Apprs. for payments</b>	37 203 484.600		41 440 009.000	11.39	41 402 270.000	11.29	-37 739.000
	Compulsory							
	Non-compulsory	31 151 116.900		35 063 270.200	12.56	35 124 810.000	12.76	61 539.924
	<b>Total compulsory + non-compulsory</b>	68 354 601.400	77 229	76 503 279.200	11.92	76 527 080.000	11.96	23 800.924
	<b>Margin</b>			725 720.751		701 919.827		

*Decision No 3177/94/ECSC* fixing the rate of the levies for the 1995 financial year and amending Decision No 3-52 adopted by the Commission on 20 December.

OJ L 335, 23.12.1994

## Financial operations

### ECSC

#### *General matters*

*1.5.5.* Commission Decision No 2983/94/ECSC amending High Authority Decision No 2-52 determining the mode of assessment and collection of the levies provided for in Articles 49 and 50 of the ECSC Treaty.

**Decision amended:** High Authority Decision No 2-52 (OJ ECSC No 1, 30.12.1952), as last amended by Commission Decision No 3565/83/ECSC: OJ L 355, 17.12.1983

**Commission draft:** Bull. 10-1994, point 1.5.12

**Council assent:** Bull. 11-1994, point 1.5.4

*Adopted (second reading) on 7 December.* Purpose: to reduce the frequency of declarations and payments and raise the threshold for collection of the ECSC levy.

OJ L 315, 8.12.1994

*1.5.6.* Commission Decision No 2984/94/ECSC amending High Authority Decision No 3-52 on the amount of and methods for applying the levies provided for in Articles 49 and 50 of the ECSC Treaty and Commission Decision No 2854/72/ECSC on the possibility afforded to coal undertakings to postpone payment of the levy due.

**Decisions amended:**

High Authority Decision No 3-52 (OJ ECSC No 1, 30.12.1952), as last amended by Commission Decision No 3616/93/ECSC: OJ L 328, 29.12.1993; Bull. 12-1993, point 1.6.2

Decision No 2854/72/ECSC: OJ L 299, 31.12.1972

*Adopted on 7 December.* Purpose: to adjust the rules on the amount of and methods for applying

the ECSC levy in line with the changes to the mode of assessment and collection resulting from Decision No 2983/94/ECSC (→ point 1.5.5).

OJ L 315, 8.12.1994

*1.5.7.* ECSC Consultative Committee resolution on the granting of adequate budget appropriations for social and labour-market policy support measures.

**Reference:** ECSC operating budget 1995: point 1.5.4 of this Bulletin

*Adopted on 16 December.* The Committee is of the opinion that the budget appropriations for ECSC social support measures will not be sufficient and that this could halt socially acceptable restructuring in the iron and steel regions. It called on the Commission to provide additional budget appropriations and to lay clear emphasis on the importance of qualifications and retraining, measures to increase regional mobility and reducing unemployment among young people in the affected areas.

#### *Loans raised*

*1.5.8.* In December the Commission contracted a private placing in Belgian francs on behalf of the ECSC for the equivalent of ECU 23.2 million.

#### *Loans granted*

*1.5.9.* Acting under Articles 54 and 56 of the ECSC Treaty, the Commission granted loans totalling ECU 108.8 million.

#### **Industrial loans**

*1.5.10.* Industrial loans (Article 54) totalling ECU 83.5 million were made to Belgium and Germany.

#### **Conversion loans**

*1.5.11.* Conversion loans (Article 56) totalling ECU 23.6 million were made to Germany, Italy and the United Kingdom.

#### **Workers' housing**

*1.5.12.* Loans totalling ECU 1.7 million were granted for steelworkers and mineworkers in Germany, France, Italy and Spain.

## Measures to combat fraud

*1.5.13.* The European Council called on the institutions and the Member States to take concerted action against fraud and asked Member States to report on the measures they are implementing domestically to combat wastefulness and the misuse of Community resources (→ point I.29).

*1.5.14.* Council resolution on the legal protection of the financial interests of the Communities (→ point 1.4.3).

*1.5.15.* Proposal for a Parliament and Council Regulation 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 the law on customs and agricultural matters.

**Commission proposal:** OJ C 56, 26.2.1993; COM(92) 544; Bull. 12-1992, point 1.3.24

**Economic and Social Committee opinion:** OJ C 161, 14.6.1993; Bull. 4-1993, point 1.3.61

**Amended Commission proposal:** OJ C 262, 28.9.1993; COM(93) 350; Bull. 9-1993, point 1.3.55

**Proposal subject to the co-decision procedure since 1 November 1993**

**Parliament opinion (first reading):** OJ C 20, 24.1.1994; Bull. 12-1993, point 1.3.68

**Amended Commission proposal:** OJ C 80, 17.3.1994; COM(94) 34; Bull. 1/2-1994, point 1.3.101

*Agreed by the Council (economic and financial affairs) on 5 December.* The proposal aims to increase cooperation between Member States and between Member States and the Commission with a view to improving organization of the fight against fraud, especially in the agricultural sector, which is particularly exposed to the risk of infringements with a direct effect on the Community budget, by providing in particular for the introduction of a central database. The Council's policy agreement is linked to a change in the legal basis (Article 235 instead of Article 100a), which entails a change in procedure (consultation instead of co-decision) and referral back to Parliament.

*1.5.16.* Parliament resolution on the proposal for a Regulation on the protection of the Community's financial interests and the proposal for a Council of the European Union Act establishing the Convention for the protection of the Communities' financial interests.

### References:

Proposal for a Regulation: OJ C 216, 6.8.1994; COM(94) 214; Bull. 6-1994, point 1.5.11

Proposal for a Council Act: OJ C 216, 6.8.1994; COM(94) 214; Bull. 6-1994, point 1.4.8

*Adopted on 15 December.* On the grounds that giving the Council the power to take decisions on acts governing the protection of the Community's financial interests, in what is in part a non-Community framework, could seriously undermine that protection, Parliament called on the Commission to withdraw its proposal for a Convention and replace it with a proposal for a Directive based on Articles 100a and 209a of the EC Treaty, to change the legal basis of its proposal for a Regulation from Article 235 to Article 100a, and to propose to the Council (justice and home affairs) a Convention concerned solely with international fraud not affecting the Community budget.

OJ C 18, 23.1.1995

*1.5.17.* Commission Regulation (EC) No 2945/94 amending Regulation (EEC) No 3665/87 laying down common detailed rules for the application of the system of export refunds on agricultural products, as regards the recovery of amounts unduly paid and sanctions.

**Amended Regulation:** Commission Regulation (EEC) No 3665/87: OJ L 351, 14.12.1987; Bull. 12-1987, point 2.1.204

*Adopted on 2 December.* The amending Regulation introduces administrative sanctions which will apply in cases of irregularities and fraud in the area of export refunds.

OJ L 310, 3.12.1994

## 6. Statistical system

### Policy aspects

*1.6.1.* Proposal for a Council Regulation on the European system of national and regional accounts in the European Community.

*Adopted by the Commission on 16 December.* The aim of the draft Regulation is to establish a methodology, known as the European system of integrated accounts (ESA), comprising common standards, definitions, classifications and accounting rules to be used in drawing up accounts and tables on a comparable basis for European Community requirements. The proposal includes a schedule for transmitting the accounts and tables drawn up on the basis of the ESA to the Commission on specific dates.

COM(94) 593

*1.6.2.* Council Decision 94/808/EC adopting a four-year development programme (1994-97) relating to the environmental component of Community statistics.

**Commission proposal:** OJ C 209, 22.8.1990; COM(90) 319; Bull. 7/8-1990, point 1.7.1

**Economic and Social Committee opinion:** OJ C 332, 31.12.1990; Bull. 9-1990, point 1.6.2

**Parliament opinion:** OJ C 67, 16.3.1992; Bull. 1/2-1992, point 1.3.5

**Amended Commission proposal:** OJ C 328, 12.12.1992; COM(92) 483; Bull. 11-1992, point 1.3.10

**Council agreement on a common position:** Bull. 3-1994, point 1.6.2

**Council common position:** OJ C 213, 3.8.1994; Bull. 6-1994, point 1.6.2

**Parliament opinion (second reading):** OJ C 323, 21.11.1994; Bull. 10-1994, point 1.6.1

*Adopted by the Council on 15 December.* Purpose: to develop a regular series of official data on the environment and to facilitate coordination in this area between the national statistical offices and the Community system.

OJ L 328, 20.12.1994

*1.6.3.* Commission communication to the Council and the European Parliament on directions for the European Union on environmental

indicators and green national accounting: the integration of environmental and economic information systems (→ point 1.2.197).

*1.6.4.* Council resolution on the promotion of education and training statistics in the European Union.

*Adopted by the Council on 5 December.* The Council requests Member States and their statistical offices to pay particular attention to the need for cooperation when developing further comparative education and training statistics and asks the Commission, in cooperation with the Member States, to expedite the development of these statistics. It identifies as priorities the laying of foundations for the comparative portrayal of education and training in the Member States, the analysis of the various structures of educational funding, the development of networks and exchanges of experience on the conduct of statistical surveys of education, the development of common survey instruments, the revision of the 'International standard classification for education' and further cooperation with Unesco and the OECD in parallel with the development of additional educational indicators specific to the European Union.

OJ C 374, 30.12.1994

*1.6.5.* Draft Council Decision amending Council Decision 91/115/EEC establishing a committee on monetary, financial and balance-of-payments statistics.

**Commission draft:** OJ C 359, 16.12.1994; COM (94) 452; Bull. 11-1994, point 1.6.1

*Endorsed by the Economic and Social Committee on 21 December.*

### Results

*The final consumption of households in the European Union and the Member States: structure by purpose of consumption*

*1.6.6.* The final consumption of households can be broken down by the following main purposes: food, beverages and tobacco; rent and



household utilities; health care; transport and communications; entertainment, recreation, education and culture; other goods and services. This final consumption, representing the value of goods and services used to cover consumption needs directly, can be analysed by purpose on the basis of the national accounts, which are broken down by group of goods. Its structure for the European Union as a whole in the period 1985-92 is set out in Table 24, which explained below particularly where specific figures for the Member States are concerned.

Food, beverages and tobacco still account for the bulk of the total consumption of households in the Union, but their share is constantly falling (19.1% in 1992). The drop of 0.3% from 1991 to 1992 in the Union as a whole includes sharper declines in Belgium, Germany, Spain (- 0.7%), Greece (- 0.6%) and France (- 0.5%), but increases in Portugal (+ 0.5%) and Denmark (+ 0.2%). Compared with the average for 1985-89, the drop in consumption accounted for by food, beverages and tobacco in 1992 (- 1.7% for the Union as a whole) was greatest in Luxembourg (- 3.2%) and Spain (- 3%), and was over 1% in all Member States except Portugal, which recorded a slight increase.

The share of total consumption accounted for by rents and household utilities (17.8% in 1992) has been on the increase in the Union since 1990 (+ 0.4% in 1992 compared with 1991, + 0.5% in 1991 compared with 1990), after falling in the preceding period, and in 1992 exceeded its average value for 1985-89. This upward tendency does, however, conceal disparate trends in individual Member States: above-average increases (in 1992 compared with 1991) in Germany, France and the United Kingdom, but fall-offs in Spain, Ireland and Luxembourg over the same period.

The Union-wide trend towards an increase in the share of consumption accounted for by health care (8.6% in 1992) accelerated in 1992 (+ 0.3% compared with 1991). This increase over the previous year was largely due to Germany,

which recorded a 0.6% rise. All countries showed increases in this component, the only exceptions being Luxembourg and Portugal, where there were slight falls: all Member States showed increases over the period 1985-89, some of them substantial (+ 1% in Belgium, France and Italy).

Trends in the share of household consumption accounted for by transport and communications (15.2% in 1992), relatively stable across the Union since 1990 (- 0.1% in 1991, + 0.1% in 1992), varies greatly from one Member State to the next. There are constant increases in Greece and the Netherlands and a particularly large increase in Luxembourg, but fall-offs in France, Ireland, Portugal and the United Kingdom. The strong increases recorded in Germany in 1990 and 1991 were not repeated in 1992. There were only minor fluctuations between 1990 and 1992 in Belgium, Denmark and Italy.

In the European Union as a whole, the proportion of private household consumption accounted for by entertainment, recreation, education and culture was almost unchanged in 1992 compared with the two previous years, and at 8.7% about 0.3% higher than in the second half of the 1980s. In 1992, the share of these items continued to grow in Ireland, Portugal and the United Kingdom. In Belgium, Italy, Luxembourg and the Netherlands, on the other hand, the downward trend continued. The shares of these items in Germany, Spain and France scarcely changed from 1990 to 1992.

Following a slight decline the year before, the share of total consumption accounted for by the group 'Other goods and services' showed a clear increase in 1992. This group comprises such disparate components as personal hygiene, hotels and similar services, and package holidays. The main factors behind the continued rise in the share accounted for by these items at EU level in 1992 were increases in Belgium, Denmark, Greece, Spain and the Netherlands. Steep declines were seen only in Ireland and the United Kingdom in 1992; only minor changes were recorded in the other Member States.

Table 24 — *Consumption by purpose in the European Union*

Purpose	<i>(% of total consumption)</i>			
	1985-89	1990	1991	1992
Food, beverages and tobacco	20.8	19.7	19.4	19.1
Clothing and footwear	7.8	7.5	7.4	7.4
Rents and household utilities	17.5	16.9	17.4	17.8
Household furniture and fittings	7.9	7.9	7.9	7.9
Health care	8	8.1	8.3	8.6
Transport and communications	14.9	15.2	15.1	15.2
Entertainment, recreation, education and culture	8.4	8.7	8.6	8.7
Other goods and services	14.2	15.2	15.1	15.4

# 7. Community institutions

## Institutional affairs

### General

#### 1.7.1. Interinstitutional conference.

*Held in Brussels on 20 December*, the conference produced agreement between the Council, Parliament and the Commission on the following three texts:

□ a *modus vivendi* between Parliament, the Council and the Commission concerning the measures taken by the Commission for the implementation of acts adopted under Article 189b of the EC Treaty (co-decision procedure); the agreed arrangements, which will apply until the review of the Treaty on European Union in 1996, concern procedures for informing and consulting Parliament on all draft general implementing measures and in no way prejudice the positions of principle expressed by the three institutions in this respect;

□ a Parliament, Council and Commission Decision on the detailed provisions governing the exercise of Parliament's right of inquiry; the Decision establishes the *modus operandi* of Parliament's temporary committees of inquiry, with particular reference to the conditions for their establishment, their powers, the basic rules governing hearings and depositions, and access to and use of documents;

□ an interinstitutional agreement on an accelerated procedure for the consolidation of legislation; the agreement defines legislative consolidation (which involves repealing the instruments to be consolidated and replacing them by a single instrument, without making any changes of substance), establishes an interinstitutional consultative working party responsible for examining the Commission proposals in as short a period of time as possible and certifying that the single consolidated instrument does not contain any changes of substance, and spells out an accelerated procedure for its adoption by Parliament and the Council.

## Parliament

### Strasbourg: 12 to 16 December

1.7.2. The three main themes of the December part-session were the budget (adjustment of the financial perspective and adoption of the 1995 budget), the Uruguay Round Final Act and the conclusions of the Essen European Council.

During the debate on the conclusions of the Essen European Council, which failed to produce a resolution, a number of speakers expressed regret that it had not been possible to provide an adequate response in the social sector in general, and unemployment in particular, or on the financial implications of Union enlargement to include the countries of Central and Eastern Europe. Speaking on behalf of the Council, Chancellor Kohl stressed the historic nature of the meeting with the six associated countries and the achievements in the social and economic fields and in external relations. Paying tribute to Mr Delors, President of the Commission, Mr Kohl praised his role as an initiator and driving force in Europe. Mr Kinkel, German Foreign Minister and President of the Council, took stock of the German Presidency and expressed regret that the successes of the European Union had been clouded by the events in Bosnia. Mr Delors took the floor, pointing out that there were two particular grounds for satisfaction — adoption of the additional programme for Northern Ireland and, on the fringe of the Summit, the removal of obstacles to the creation of Europol. He spoke of the Commission's high hopes both for the White Paper and employment and for external relations, for which he outlined a dual strategy based on political dialogue with the associated countries to increase their sense of security both internally and externally, and on the important political signal sent out to the Mediterranean countries. For his part Mr Van den Broek, Member of the Commission, felt that the successful economic turnaround in the coun-

tries of Central and Eastern Europe would be a major achievement for the European Union. Following a long and lively debate, Parliament gave its assent by a very large majority to the Uruguay Round Final Act (→ point 1.3.98) and adopted a resolution on the conclusion of the Uruguay Round and the WTO (→ point 1.3.100). It also approved, with amendments, the various proposals connected with implementation of the Uruguay Round agreements (→ point 1.3.99).

Parliament approved the agreement on the adjustment of the financial perspective (→ point 1.5.2) and, at second reading, the 1995 budget reinstating most of the amendments proposed at first reading and rejected by the Council (→ point 1.5.3). Mr Hänsch, President of Parliament, then proceeded to sign the budget.

In the field of human rights, Parliament adopted seven resolutions on compulsory AIDS tests in Russia, human rights in Sudan and Togo, the detention of health professionals in Iraq, clemency for Leonard Peltier, the survival of the Belgrade newspaper *Borba* and the trials of Turkish MPs of Kurdish origin (→ points 1.3.161 to 1.3.167).

On the legislative front, under the consultation procedure Parliament adopted opinions on seven proposals for Decisions relating to the Convention on the Protection of the Alps (→ point 1.2.208), the signing of the Treaty on the European Energy Charter (→ point 1.2.110), macro-financial assistance for Algeria (→ point 1.3.64), the Slovak Republic (→ point 1.3.17) and Ukraine (→ point 1.3.46), the conclusion of an agreement with Sri Lanka (→ point 1.3.74) and compliance with international fishery conservation measures (→ point 1.2.195), six proposals for Regulations relating to rules for access to certain fishing areas (→ point 1.2.170), the common organization of the market in fishery products and aquaculture (→ point 1.2.194), tariff quotas for sea bream and bass, suspension of the autonomous duties for the Azores and Madeira (→ point 1.2.147), anti-dumping measures for the Canary Islands (→ point 1.2.148) and excise duties on mineral oils (→ point 1.2.38) and a proposal for a Directive on aid to shipbuilding (→ point 1.2.64).

Under the cooperation procedure Parliament gave its opinion at first reading on a proposal for

a Directive on pollution prevention (→ point 1.2.201).

Under the co-decision procedure Parliament was reconsulted at first reading on the legal basis of the proposal for a Regulation on counterfeit goods (→ point 1.3.127) and delivered its opinion on the proposal for a Regulation on spirit drinks and aromatized wines (→ point 1.2.158), approving the Council's common position at second reading. It approved at third reading the joint texts of the Conciliation Committee relating to the Directive on packaging and packaging waste (→ point 1.2.203) and the Directive on the control of volatile organic compound emissions (→ point 1.2.211).

Parliament also adopted resolutions on Rwanda (→ point 1.3.91), the situation in Chechnya (→ point 1.3.54), the peace process in Guatemala (→ point 1.3.79), the social situation of agricultural workers in the European Union (→ point 1.2.220), the protection of families (→ point 1.2.222), Community measures affecting tourism (→ point 1.2.89), cooperation in the fields of justice and home affairs (→ point 1.4.2), Council recommendations to the Member States on excessive government deficits (→ point 1.2.4) and the protection of the Community's financial interests (→ point 1.5.16).

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Full text of opinions and resolutions:

OJ C 18, 23.1.1995

## Council

### 1810th meeting

1.7.3. Research (Brussels, 1 December).

**Previous meeting:** Bull. 9-1994, point 1.7.12

**President:** Mr Neumann, State Secretary at the German Ministry of Research and Technology.

**Commission:** Mr Ruberti and Mr Bangemann.

#### Main items

□ Specific programme in the field of transport: agreed (→ point 1.2.91).

- Specific programme in the field of biotechnology: agreed (→ point 1.2.92).
- Specific programme in the field of targeted socioeconomic research: agreed (→ point 1.2.93).
- Specific programme in the field of the dissemination and optimization of results: agreed (→ point 1.2.94).
- Specific programme in the field of the stimulation of training and mobility of researchers: agreed (→ point 1.2.95).
- Specific programme in the field of the environment and climate: agreed (→ point 1.2.96).
- Specific programme in the field of biomedicine and health: agreed (→ point 1.2.97).
- Specific programme in the field of nuclear fission safety: agreed (→ point 1.2.99).
- Specific programme of activities to be carried out by the European Community by means of direct actions (JRC) and activities forming part of a competitive approach and intended to provide scientific and technical support for Community policies: agreed (→ point 1.2.98).
- Specific programme to be carried out by the Joint Research Centre for Euratom: agreed (→ point 1.2.100).
- Future work of CREST: conclusions adopted (→ point 1.2.102).

#### *Other business*

- Coordination of research and technological development policies: exchange of views.
- Protection of individuals with regard to the processing of personal data and the free movement of such data: discussed.

#### **1811th meeting**

1.7.4. Education (Brussels, 5 December).

**Previous meeting:** Bull. 6-1994, point 1.7.18

*President:* Mr Rüttgers, German Minister for Education, Science and Research.

*Commission:* Mr Ruberti.

#### *Main items*

- Quality and attractiveness of vocational training: resolution adopted (→ point 1.2.228).

- Promotion of education and training statistics: resolution adopted (→ point 1.6.4).

#### *Other business*

- 'Socrates' Community action programme: examined.
- European Year of Education and Training: exchange of views.
- EC/United States and EC/Canada agreements: examined.
- Cooperation with the countries of Central and Eastern Europe in the field of education: information paper noted.
- Education aspects of a global European Union strategy against racism and xenophobia: discussed.
- Education and training in the face of technological, industrial and social challenges: communication presented.

#### **1812th meeting**

1.7.5. Economic and financial affairs (Brussels, 5 December).

**Previous meeting:** Bull. 11-1994, point 1.7.3

*President:* Mr Waigel, German Minister for Finance.

*Commission:* Mr Christophersen, Mr Schmidhuber and Mrs Scrivener.

#### *Main items*

- Netherlands convergence programme (1995-98): conclusions adopted (→ point 1.2.3).
- Macrofinancial assistance for Ukraine: agreed (→ point 1.3.46).
- Macrofinancial assistance for Algeria: agreed (→ point 1.3.64).
- Macrofinancial assistance for Slovakia: agreed (→ point 1.3.17).
- Adjustment of the financial perspective with a view to enlargement: agreed (→ point 1.5.2).

#### *Other business*

- Preparations for the Essen European Council — employment situation: report finalized.
- Preparations for the Essen European Council — financing of trans-European networks: examined.

- Preparations for the Essen European Council — multilateral surveillance: examined.
- Geographical delimitation of macrofinancial assistance for non-member countries: exchange of views.
- Protection of the Communities' financial interests: progress report.
- Taxation of savings: progress report.
- VAT arrangements: progress report.
- CO<sub>2</sub>/energy tax: progress report.

### 1813th meeting

1.7.6. Labour and social affairs (Brussels, 6 and 21 December).

**Previous meeting:** Bull. 9-1994, point 1.7.7

**President:** Mr Blüm, German Minister for Labour and Social Affairs.

**Commission:** Mr Delors, Mr Flynn and Mr Ruberti.

#### *Main items*

- Vocational training programme: Decision adopted (→ point 1.2.227).
- Prospects for a European Union social policy: resolution adopted by 11 Member States (→ point 1.2.218).

#### *Other business*

- Part-time and fixed-term employment: exchange of views.
- Posting of workers: discussed.
- Employment — preparations for the Essen European Council: exchange of views.
- White Paper on European social policy: general discussion.
- World Summit for social development: examined.

### 1814th meeting

1.7.7. Consumers (Brussels, 8 December).

**Previous meeting:** Bull. 5-1994, point 1.6.8

**President:** Mr Rexrodt, German Minister for Economic Affairs.

**Commission:** Mrs Scrivener, Mr Vanni d'Archirafi and Mr Bangemann.

#### *Main items*

- Indication of food prices and prices for non-food products: progress report.
- Green Papers on access by consumers to justice and the settlement of consumer disputes in the single market and on consumer goods guarantees and after-sales service: follow-up to consultations.
- Product labelling: draft Commission recommendation discussed.
- Distance selling: progress report.

### 1815th meeting

1.7.8. Internal market (Brussels, 8 December).

**Previous meeting:** Bull. 6-1994, point 1.7.14

**President:** Mr Rexrodt, German Minister for Economic Affairs.

**Commission:** Mrs Scrivener, Mr Vanni d'Archirafi and Mr Bangemann.

#### *Main items*

- Protection of individuals with regard to the processing of personal data and the free movement of such data: common position on the proposal for a Directive agreed (→ point 1.1.3).
- Dangerous substances: Directive adopted by qualified majority; German, Danish and Netherlands delegations voted against (→ point 1.2.16).

#### *Other business*

- Operation of the internal market: examined.
- Harmonization of the legislation of the countries of Central and Eastern Europe: interim report.
- Legislative and administrative streamlining: progress report.
- Exchange of information on national measures derogating from the principle of the free movement of goods: examined.
- Transparency and efficiency of cross-border payments: examined.
- Information society: exchange of views.

- Community patents: declaration adopted.
- Fees payable to the European Agency for the Evaluation of Medicinal Products: examined.
- Measuring instruments: discussed.
- Local dimension of the internal market: exchange of views.

### 1816th meeting

1.7.9. Agriculture (Brussels, 12, 13, 14 and 15 December).

**Previous meeting:** Bull. 9-1994, point 1.7.7

*President:* Mr Borchert, German Minister for Food, Agriculture and Forestry.

*Commission:* Mr Steichen.

#### *Main items*

- Transitional measures: agreed by qualified majority; United Kingdom and Danish delegations voted against (→ point 1.2.153).
- Bovine somatotropin: proposal for a Decision agreed; United Kingdom and Danish delegations voted against (→ point 1.2.21).
- Importation of New Zealand butter into the United Kingdom: proposal for a Regulation agreed unanimously (→ point 1.2.161).
- Health rules for the production and placing on the market of raw milk, heat-treated milk and milk-based products: Directive adopted (→ point 1.2.22).

#### *Other business*

- Agri-monetary measures: agreed.
- Uruguay Round implementing legislation — agriculture: agreed in principle.
- Biomass and environmental set-aside: examined.
- Additional set-aside: examined.
- Voluntary restraint agreements in the sheepmeat and goatmeat sector: proposals for a Decision and a Regulation agreed.
- Reform of the wine sector: discussed.
- Sugar sector: examined.
- Memoranda from different delegations on simplification of the common agricultural policy: progress report.

- Health conditions for the production and placing on the market of fresh meat: exchange of views.
- Protection of animals during transport: examined.
- Seat of the Community Plant Variety Office: discussed.

### 1817th meeting

1.7.10. Environment (Brussels, 15 and 16 December).

**Previous meeting:** Bull. 10-1994, point 1.7.4

*President:* Mrs Merkel, German Minister for the Environment, and Mr Stroetmann, State Secretary at the Germany Ministry of the Environment.

*Commission:* Mr Paleokrassas.

#### *Main items*

- Disposal of PCBs/PCTs: common position on the proposal for a Directive agreed (→ point 1.2.200).
- List of hazardous waste: Decision agreed by qualified majority; United Kingdom and Italian delegations voted against (→ point 1.2.205).
- Community strategy to reduce CO<sub>2</sub> emissions and to improve energy efficiency, including CO<sub>2</sub>/energy tax: conclusions adopted (→ point 1.2.213).
- Preparations for the first conference of the parties to the UN framework Convention on Climate Change (Berlin, March-April 1995): conclusions adopted (→ point 1.2.214).
- Environment and transport: conclusions adopted (→ point 1.2.210).
- Convention on the Protection of the Alps: conclusion agreed (→ point 1.2.208).
- Protocols to the Convention on the Protection of the Alps: Decision adopted (→ point 1.2.209).
- Incineration of hazardous waste: Directive adopted (→ point 1.2.204).

#### *Other business*

- Placing on the market of biocidal products: general discussion.
- Integrated pollution prevention and control: progress report.

- Third meeting of Commission for Sustainable Development: exchange of views.
- Community legislation on the environment: oral report.
- Genetically modified plants: communication.
- Third conference of the parties to the Basle Convention: communication on preparations.
- Limitation of noise emitted by earthmoving machines: discussed.

### 1820th meeting

1.7.11. General affairs (Brussels, 19 and 20 December).

**Previous meeting:** Bull. 11-1994, point 1.7.12

**President:** Mr Kinkel, German Minister for Foreign Affairs.

**Commission:** Mr Marín, Sir Leon Brittan, Mr Van den Broek and Mr Vanni d'Archirafi.

#### Main items

- Right to vote and to stand as a candidate in municipal elections: Directive adopted; Portuguese delegation abstained (→ point 1.1.2).
- Agreement with Morocco on the arrangements governing imports of tomatoes and courgettes: Decision adopted (→ point 1.3.66).
- Conclusion of the Uruguay Round: Decision agreed (→ point 1.3.98).
- Implementation of the Uruguay Round agreements: Directive, Regulations and Decision amending legislation agreed (→ points 1.2.158 and 1.3.99).
- Europe Agreements with Bulgaria, Romania, the Czech Republic and Slovakia: Decisions adopted (→ points 1.3.22, 1.3.26, 1.3.30 and 1.3.33).
- Implementation of the Europe Agreements with Bulgaria, Romania, the Czech Republic and Slovakia: Regulations adopted (→ points 1.3.23, 1.3.27, 1.3.31 and 1.3.34).
- Free-trade agreements with Estonia, Latvia and Lithuania: Decisions adopted (→ points 1.3.37, 1.3.40 and 1.3.41)
- Generalized preferences for the period 1995 to 1997: Regulation adopted (→ point 1.3.149).
- Application of generalized tariff preferences to certain agricultural products: Regulation adopted (→ point 1.3.150).

- Agreement on shipbuilding in the context of the OECD: Decision adopted (→ point 1.2.82).
- Extension of the seventh Directive on shipbuilding: Directive adopted (→ point 1.2.64).

#### Other business

- Follow-up to the Essen European Council: discussed.
- Racism and xenophobia: examined.
- Interinstitutional Conference: preparations.
- Relations with Israel, Morocco and Tunisia: progress report on negotiations.
- Transatlantic relations: progress report.
- Relations with Turkey: preparations for meeting of the Association Council.
- Relations with Slovenia: examined.

### 1821st meeting

1.7.12. Fisheries (Brussels, 19, 20 and 22 December).

**Previous meeting:** Bull. 11-1994, point 1.7.10

**President:** Mr Borchert, German Minister for Food, Agriculture and Forestry.

**Commission:** Mr Paleokrassas.

#### Main items

- Arrangements for access and control — integration of the Iberian fleets: proposal for a Regulation agreed (→ point 1.2.170).
- Catch quotas in Greenland waters: Regulation adopted (→ point 1.2.180).
- Conservation and management of fishery resources and catch quotas in Faeroese waters: two Regulations adopted unanimously (→ point 1.2.183).
- Organization of fisheries in the North-West Atlantic (NAFO): Regulation adopted unanimously (→ point 1.2.190).
- Conservation and management of fishery resources and catch quotas in Estonian waters: two Regulations adopted unanimously (→ point 1.2.179).
- Conservation and management of fishery resources and catch quotas in Latvian waters: two Regulations adopted unanimously (→ point 1.2.185).



- Conservation and management of fishery resources and catch quotas in Lithuanian waters: two Regulations adopted unanimously (→ point 1.2.186).
- Catch quotas in Icelandic waters: Regulation adopted unanimously (→ point 1.2.184).
- Conservation and management of fishery resources and catch quotas in the waters of Poland and the Russian Federation: two Regulations adopted unanimously (→ point 1.2.189).
- Conservation and management of fishery resources and catch quotas in Norwegian waters: two Regulations adopted unanimously (→ point 1.2.188).
- TACs and quotas for 1995: Regulation adopted unanimously; Spanish delegation abstained (→ point 1.2.175).

#### *Other business*

- Additional quotas for the interannual management of TACs and quotas: exchange of views.
- Technical measures for the conservation of fishery resources: general discussion.
- Driftnets: exchange of views.

#### **1823rd meeting**

*1.7.13. Health (Brussels, 22 December).*

**Previous meeting:** Bull. 6-1994, point 1.7.7

*President:* Mr Seehofer, German Minister for Health.

*Commission:* Mr Flynn.

#### *Main item*

- Extension of the 'Europe against AIDS' programme: agreed (→ point 1.2.234).

#### *Other business*

- Action plan to combat cancer (1995-99): exchange of views.
- Community action programme on the prevention of AIDS and certain other communicable diseases: presented.
- Community action programme on the prevention of drug dependence within the framework for action in the field of public health (1995-2000): general discussion.

- Community action programme on health promotion, information, education and training within the framework for action in the field of public health: exchange of views.
- Tobacco advertising: general discussion.
- Safety of blood and blood products: discussed.

## Commission

### Proposals adopted

*1.7.14.* The Commission adopted a proposal for a Directive to facilitate practice of the profession of lawyer on a permanent basis in a Member State other than that in which the qualification was obtained (→ point 1.2.29). It also approved a draft Directive lifting restrictions on the use of cable television networks for the carriage of telecommunications services (→ point 1.2.41). On the energy front it adopted a proposal for a Directive on energy efficiency requirements for household electric refrigerators, freezers and their combinations (→ point 1.2.108). Finally, it adopted a proposal for a Directive on the opening-up of the ground handling market at Community airports (→ point 1.2.124).

### Communications, Green Papers and reports

*1.7.15.* The Commission adopted the 1995 Annual Economic Report (→ point 1.2.6). It also adopted communications on a special support programme for peace and reconciliation in Northern Ireland (→ point 1.2.150) and on environmental indicators and green national accounting (→ point 1.2.197).

### Other decisions

*1.7.16.* The Commission adopted a recommendation on the transfer of small and medium-sized enterprises (→ point 1.2.87). It also

approved single programming documents and a Community support framework under Objective 2 (→ point 1.2.131), single programming documents under Objective 5(a) (→ point 1.2.135) and single programming documents under Objective 5(b) (→ point 1.2.140).

## Community lawcourts

### Court of Justice

1.7.17. Amendment of the Statute of the Court of Justice.

**Reference:** Agreement on the European Economic Area: Bull. 10-1992, point 1.4.1

**Commission opinion:** Bull. 10-1994, point 1.7.14

**Parliament opinion:** OJ C 323, 21.11.1994; Bull. 10-1994, point 1.7.14

*Adopted by the Council on 22 December.* Acting under the second paragraph of Article 188 of the EC Treaty the Council adopted the amendments to the Statute requested by the Court following the entry into force of the Treaty on European Union and the Agreement on the European Economic Area. The object of the amendments is to determine the procedure applicable to cases referred under the Agreement and to define the rights of EFTA States and lawyers from those States.

1.7.18. Decisions given by the Courts are covered in the Bulletin for the month in which they are reported in the Official Journal. The operative part of the main decisions is reproduced; other decisions are simply listed by field and legal basis. Decisions in disputes between the Community and its staff are not reported.

### Main decisions

#### Free movement of goods

*Article 177 of the EC Treaty*

□ 10.11.1994: Case C-320/93 *Lucien Ortscheit v Eurim-Pharm Arzneimittel*

OJ C 370, 24.12.1994

#### Customs union

*Article 173 of the EC Treaty*

□ 26.10.1994: Case C-430/92 *Netherlands v Commission*

OJ C 351, 10.12.1994

#### Social policy and free movement of workers

*Article 177 of the EC Treaty*

□ 29.9.1994: Case C-81/94 *Pinheiro v Bundesanstalt für Arbeit*

OJ C 351, 10.12.1994

#### Transport

*Article 185 of the EC Treaty*

□ 26.10.1994: Case C-174/94R *France v Commission*

OJ C 351, 10.12.1994

### Court of First Instance

#### Main decisions

#### Competition

*Article 175 of the EC Treaty*

□ 27.10.1994: Case T-32/93 *Ladbroke Racing v Commission*

1. It is not necessary to give judgment on the application to the extent that it seeks a declaration of failure to act by the Commission in that it failed to define its position on the complaint which the applicant had lodged with it for infringement of the provisions of Articles 85 and 86 of the EEC Treaty in conjunction with those of Council Regulation No 17 of 6 February 1962, first Regulation implementing Articles 85 and 86 of the Treaty, and Commission Regulation No 99/63/EEC of 25 July 1963, on the hearings provided for in Article 19(1) and (2) of Council Regulation No 17.

2. The application is dismissed as inadmissible for the remainder.
  3. The parties are ordered to bear their own costs.
  4. The intervener is ordered to bear its own costs.
- OJ C 370, 24.12.1994

### *Other decisions*

#### **ECSC**

##### *Articles 34 and 40 of the ECSC Treaty*

- 8.11.1994: Case T-53/90 *Hoogovens Groep v Commission*
- OJ C 370, 24.12.1994

#### **Customs union**

##### *Article 173 of the EC Treaty*

- 20.10.1994: Case T-499/93 *Seidenweberei Reutlingen Gerstenberg*
- OJ C 370, 24.12.1994

#### **Competition**

##### *Article 173 of the EC Treaty*

- 3.10.1994: Case T-36/92 *Syndicat français de l'Express international, DHL International, Service Crie and May Courier v Commission*
- OJ C 351, 10.12.1994
- 6.10.1994: Case T-83/91 *Tetra Pak International v Commission*
- OJ C 351, 10.12.1994
- 27.10.1994: Case T-34/92 *Fiatagri UK and New Holland Ford v Commission*
- OJ C 370, 24.12.1994
- 27.10.1994: Case T-35/92 *John Deere v Commission*
- OJ C 370, 24.12.1994
- 9.11.1994: Case T-46/92 *Scottish Football Association v Commission*
- OJ C 370, 24.12.1994

#### **Fisheries**

##### *Articles 185 and 186 of the EC Treaty*

- 26.10.1994: Joined Cases T-231/94R, T-232/94R and T-234/94R *Transacciones Maritimas,*

*Recurso Marinos and Makuspesca v Commission*

OJ C 370, 24.12.1994

## **Analysis of judgments delivered between 1 October and 31 December**

### *General principles of Community law*

1.7.19. Judgment of 5 October 1994, Case C-404/92P *X v Commission* — Pre-recruitment medical examination — AIDS screening test — Respect for private life.

The Commission had refused to engage an applicant on the ground of physical unfitness in view of the results of a blood test which was not, *per se*, of a type which would point to the possible presence of the AIDS virus but which the Commission's medical officer had carried out following a clinical examination. The person in question lodged an appeal against the decision not to engage him arguing that he had been subjected, without his knowledge and against his will, to an indirect screening test (the test in question is normally used to monitor the progress of the disease in persons with AIDS), when he had refused to take an AIDS test.

The Court annulled the decision (and the judgment of the Court of First Instance, which had found that the decision was lawful) on the ground that the Commission had breached the right to respect for private life, which was a fundamental right protected by the Community legal order and included a person's right to keep his state of health secret. The Court recognized that restrictions could be imposed provided that they corresponded to objectives of general public interest and did not constitute, with regard to the objectives pursued, a disproportionate and intolerable interference which infringed upon the very substance of the right protected. However, although the pre-recruitment examination served a legitimate interest of the Community institutions, which must be in a position to fulfil the tasks required of them, that interest did not justify the carrying out of a test against the will of the person concerned.

Nevertheless, the Court stated clearly that 'if the person concerned, after being properly informed, withheld his consent to a test which

the medical officer considered necessary in order to evaluate his suitability for the post for which he had applied, the institutions could not be obliged to take the risk of recruiting him'. In other words, the right to respect for private life required that the refusal of the person concerned to undergo a screening test should be respected in its entirety, but refusal to undergo the test could be grounds for declining to engage an applicant if the test were genuinely necessary for the purpose of evaluating his or her suitability.

### Competition

1.7.20. Judgment of 27 October 1994, Case T-32/93 *Ladbroke Racing v Commission* — Respect for the rules of competition by public undertakings — Powers of the Commission.

Pursuant to Article 90 of the EC Treaty, public undertakings and undertakings which have been granted special or exclusive rights must abide by Community competition rules; Article 90(3) confers on the Commission the task of ensuring the application of these provisions and the power to address directives or decisions to Member States where necessary. In its judgment of 27 October 1994 the Court of First Instance held that this power of surveillance enjoyed by the Commission *vis-à-vis* the Member States necessarily entails the application of broad discretion, all the more so as, in exercising its powers, the Commission is bound by the Treaty to take into account the demands inherent in the particular tasks assigned to the undertakings concerned. Furthermore, it is up to the Commission to decide whether to take action by way of individual decisions or by directives consisting of general rules applicable to all Member States, bearing in mind the various forms of public undertakings in the Member States and the diversity and complexity of their relations with the government authorities.

The Commission is therefore under no obligation to act, and a private undertaking which files a complaint concerning anti-competitive conduct may not bring an action against the Commission for failure to act when the latter refrains from taking action under Article 90(3) of the EC Treaty.

### Freedom of establishment and freedom to provide services

1.7.21. Judgment of 5 October 1994, Case C-23/93 *TV10 v Commissariaat voor de Media* — Freedom to provide television services — Avoidance of obligations under national law.

In this judgment the Court confirmed its previous judgment in *van Binsbergen* (Case 33/74 [1974] ECR 1299), with respect to Community provisions on the freedom to provide services. It had found in that case that a Member State could not be denied the right to take measures to prevent the exercise by a person providing services whose activity was entirely or principally directed towards its territory of the freedoms guaranteed by the Treaty for the purpose of avoiding rules which would be applicable to him if he were established within that Member State.

It followed that, in the field of television broadcasting, a Member State could regard as a domestic broadcaster a broadcasting body which established itself in another Member State in order to provide services there which were intended for the territory of the first Member State, since the aim of such a measure was to prevent organizations which established themselves in another Member State from being able, by exercising the freedoms guaranteed by the Treaty, wrongfully to avoid obligations under national law.

### Common agricultural policy

1.7.22. Judgment of 5 October 1994, Case C-280/93 *Germany v Council* — Common organization of the market in bananas — Import arrangements.

**Reference:** Council Regulation (EEC) No 404/93 on the common organization of the market in bananas: OJ L 47, 25.2.1993; Bull. 1/2-1993, point 1.2.174

The Court dismissed an application by Germany for the annulment of the import arrangements laid down in Council Regulation (EEC) No 404/93, under which 30% of a tariff quota was allocated to traders who had previously marketed Community and/or traditional ACP bananas and 70% to other traders.

The Court held that this difference in treatment between importers did not constitute discrimination, bearing in mind the differing situations of the various categories of traders before the

common organization of the market was introduced, which entailed the striking of a balance between the two categories.

The Court also found that the Regulation did not affect the right to property, since no trader could claim a right to property in the market share which he happened to hold; nor did the Regulation infringe the freedom to pursue an occupation, since the restrictions it introduced did not impair the very substance of this right and corresponded to objectives of general Community interest (integration of national markets and observance of the Lomé Convention). As regards the proportionality of the measures in question, the Court pointed out that, in matters relating to the common agricultural policy, the Community legislature had broad discretionary powers and that the legality of a measure could be affected only if it were manifestly inappropriate for achieving the objective pursued. In the case in point, the Council had to reconcile the conflicting interests of Member States which produced bananas and others which did not and the Court could not substitute its assessment for that of the Council on the choice of measures, if those measures had not been proved to be manifestly inappropriate.

The Court also held that it could not take into consideration the provisions of GATT in assessing the lawfulness of a regulation in an action brought by a Member State, unless the Community intended to implement a particular obligation entered into within the framework of GATT or the Community act expressly referred to specific provisions of GATT.

The Court acknowledged, lastly, that the Commission was not obliged to amend its proposals in writing: as the Commission could amend a proposal at any point in the Community law-making process, which was necessarily somewhat flexible in the interests of reconciling the views of the different institutions, an amended proposal was fundamentally different from Commission acts which directly concerned individuals, and strict observance of the formalities laid down for the adoption of such acts could not therefore be required.

### *Common commercial policy*

1.7.23. Opinion 1/94 of the Court of Justice of 15 November 1994 on the powers of the European Community to conclude the agreements resulting from the Uruguay Round.

**Reference:** Final Act of the Uruguay Round multilateral trade negotiations: COM(94) 143; Bull. 4-1994, point 1.3.61

The agreement resulting from the Uruguay Round and establishing the World Trade Organization (WTO) was signed in Marrakesh on 15 April 1994, together with its annexes, which include the Multilateral Agreements on trade in goods, the General Agreement on Trade in Services (GATS) and the Agreement on trade-related aspects of intellectual property rights (TRIPS), including trade in counterfeit goods. The Commission had previously submitted to the Court a request for an Opinion under Article 228(6) of the EC Treaty, which centred mainly on the question whether the Community had exclusive powers to conclude these Agreements. In its Opinion of 15 November the Court shed considerable light on this question, in particular as regards the interpretation of the concept of the common commercial policy (which falls within the exclusive jurisdiction of the Community).

The Court concluded that, under Article 113 of the EC Treaty (provisions on the common commercial policy), the Community had exclusive powers to conclude the Multilateral Agreements on trade in goods. These powers covered the Agreement on technical barriers and also extended to agricultural products, tariff aspects of Euratom products and ECSC products. The Court held that Member States had the power to conclude international agreements on these products only in so far as such agreements related specifically to ECSC products.

The Court then found that the power to conclude the GATS was shared between the Community and its Member States. It confirmed that the concept of the common commercial policy must be given a broad and non-restrictive interpretation and explicitly concluded that services may fall within the scope of Article 113. However, the Court pointed out that, of the four modes of supplying services defined in the GATS, only cross-border supplies were 'not unlike trade in goods, which is unquestionably covered by the common commercial policy within the meaning of the Treaty'. There was therefore no particular reason why such a supply of services should not fall within the concept of the common commercial policy. The other three modes of service are excluded from the scope of Article 113 as they

involve the movement of legal and natural persons and are covered by a Treaty objective distinct from that of establishing a common commercial policy.

With respect to the other modes of supplying services defined in the GATS, the Court confirmed its *AETR* judgment to the effect that Member States lose their powers to the benefit of the Community as and when common rules come into being which could be affected by international obligations. The Court acknowledged that the Community may use the powers conferred on it under provisions on the right of establishment and the freedom to provide services in order to lay down internal rules on the treatment of nationals of non-member countries. It therefore concluded that the Community acquired exclusive external powers whenever it had included in internal legislative acts provisions relating to the treatment of nationals of non-member countries or expressly conferred on its institutions powers to negotiate with non-member countries, or again where the Community had achieved complete harmonization of the rules governing access to a self-employed activity. As harmonization was not yet complete in all these fields, the Court concluded that the power to conclude the GATS was shared between the Community and its Member States.

As regards the TRIPs, the Court followed the same reasoning — and arrived at the conclusion that powers are shared between the Community and its Member States as the harmonization of different intellectual property rights is still only partial or, in some fields, completely non-existent. The Court had previously held that intellectual property rights did not fall within the scope of Article 113 of the EC Treaty, except as regards Community measures prohibiting the release for free circulation of counterfeit goods. In other areas of intellectual property, the Community's external powers therefore depend on the extent of internal harmonization, although the Court also pointed out that the Community does have internal powers to harmonize national rules which may have a direct effect on the establishment and functioning of the common market; there is no domain reserved for the Member States in this respect.

Finally, the Court acknowledged as entirely legitimate the Commission's concern that, if powers were shared between the Community

and the Member States, it would undermine the Community's unity of action *vis-à-vis* the outside world and weaken its negotiating position in the WTO. The Court referred back to its Opinion in the *ILO* case (Opinion No 2/91), which required the Member States and the Community to cooperate closely and to present a united front in the international representation of the Community. The Court stressed that the obligation to cooperate was all the more imperative in the case of the WTO as the agreements were inextricably interlinked, as demonstrated by the 'cross-retaliation' mechanism.

## Court of Auditors

### Special reports

1.7.24. Special report No 4/94 on the urban environment.

*Adopted on 8 December* at the Court's 489th meeting. This report has been sent to the other institutions and the national audit bodies and will be published in the Official Journal.

### Opinions

1.7.25. Opinion No 4/94 of the Court of Auditors on a proposal for a Council Regulation (EC, ECSC, Euratom) amending the Financial Regulation of 21 December 1977 applicable to the general budget of the European Communities.

**Reference:** Proposal for a Council Regulation (EC, ECSC, Euratom) amending the Financial Regulation of 21 December 1977: OJ C 237, 25.8.1994; COM(94) 338; Bull. 7/8-1994, point 1.4.6

*Adopted on 8 December* at the Court's 489th meeting. This opinion has been sent to the other institutions and will be published in the Official Journal.

1.7.26. Opinion No 5/94 of the Court of Auditors on proposals for Council Regulations (EC) amending, respectively, Regulation (EEC) No 729/70 on the financing of the common agricultural policy and the Financial Regulation of 21 December 1977 applicable to the general budget of the European Communities.

**Reference:** Proposals for Council Regulations amending, respectively, Regulation (EEC) No 729/70 and the Financial Regulation of 21 December 1977: COM(94) 240; Bull. 7/8-1994, point 1.2.138

*Adopted on 15 December* at the Court's 490th meeting. This opinion has been sent to the other institutions and will be published in the Official Journal.

*1.7.27.* Observations of the Court of Auditors on the proposal for a Council Regulation on the implementation of the EC Investment Partners financial instrument for the countries of Latin America, Asia, the Mediterranean region and South Africa.

**Reference:** Proposal for a Council Regulation on the implementation of the EC Investment Partners financial instrument: COM(94) 358; Bull. 7/8-1994, point 1.3.114

*Adopted on 20 December* at the Court's 491st meeting. These observations, which the Court adopted — on its own initiative — pursuant to Article 188c(4) of the EC Treaty, have been sent to the Council and the Commission. They will not be published in the Official Journal.

## European Investment Bank

*1.7.28.* The European Council welcomed the creation of a special window at the European Investment Bank for the financing of trans-European networks (→ point I.38).

### Financing

*1.7.29.* In December the European Investment Bank granted loans totalling ECU 5 403 million, of which ECU 1 319 million went outside the European Union.

### European Union

#### Links with Union policies

*1.7.30.* Loans were made for the following measures:

□ ECU 2 145 million for the economic development of disadvantaged regions;

□ ECU 1 884 million for the improvement of transport and telecommunications infrastructures of benefit to the Community;

□ ECU 398 million for the protection of the environment and improvement of the quality of life;

□ ECU 764 million for the pursuit of Community objectives in the field of energy.

The Bank also continued its operations to support small businesses; a total of ECU 1 693 million has been granted in global loans since the beginning of the year.

In many cases individual loans come under several Union policies; some are therefore counted more than once in the above amounts.

### Geographical breakdown

#### Denmark

*1.7.31.* ECU 84.6 million (including ECU 28.1 million under the Edinburgh facility) was granted for the construction of three new sections of motorway in Jutland, ECU 142.5 million for the construction of a motorway suspension bridge on the eastern part of the Great Belt fixed link, and ECU 114.4 million (including ECU 39.8 million under the Edinburgh facility) for rail electrification and the purchase of rolling stock. ECU 32.8 million was granted in the form of global loans for the financing of small and medium-scale projects in a wide range of sectors.

#### Belgium

*1.7.32.* ECU 22 million was granted to part-finance the construction of two combined-cycle electricity power stations running on natural gas at Drogenbos (Brussels Region) and Seraing (near Liège). ECU 50.6 million in the form of global loans was granted for financing small and medium-scale projects in manufacturing and service industries and ECU 50.6 million, also in the form of global loans, for job-creating projects by small businesses in manufacturing and service industries countrywide.

#### Greece

*1.7.33.* ECU 165 million (including ECU 45 million under the Edinburgh facility) was

provided for extending and modernizing the telecommunications network and ECU 35 million (including ECU 20 million under the Edinburgh facility) for upgrading a section of the Elefsina-Corinth motorway. A loan of ECU 27.3 million (including ECU 6.8 million under the Edinburgh facility) was provided for upgrading the Katerini-Klidi section of the road that runs from Patras through Athens and Thessaloniki to the Bulgarian border in central Macedonia. ECU 30 million was granted in the form of global loans to finance small-scale infrastructure projects. And a further global loan of ECU 17.1 million went towards financing small and medium-scale projects in manufacturing, tourism and service industries.

#### *Germany*

1.7.34. ECU 260.4 million was provided for extending the telecommunications network in the new *Länder*. ECU 7.8 million was granted for repairing and modernizing waste water collection and treatment facilities in Bernburg and neighbouring localities in Saxony-Anhalt. ECU 5.2 million was granted for the development of a tyre production workshop and its installation in a factory in Breuberg (Bavaria) and ECU 73.4 million for the construction of a warehouse at Haldensleben (Saxony-Anhalt) and administrative buildings for a mail-order company at Ohrdruf (Thuringia). And ECU 26 million was granted in the form of global loans for the financing of small and medium-scale environmental protection projects.

#### *France*

1.7.35. A loan of ECU 56.3 million was granted for upgrading the Le Havre-Yvetot section of the A29 motorway. ECU 41.2 million was provided under the Edinburgh facility for the construction of a toll motorway linking the Fréjus road tunnel to the French motorway network. ECU 76.3 million went towards the development of a car engine at Douvrin (Pas-de-Calais). ECU 45.8 million contributed to the partial replacement of a fleet of aircraft and to the installation of associated ground facilities. And ECU 183.1 million was granted in the form of global loans for the financing of small and medium-scale projects in industry, tourism, services, energy and the environment.

#### *Spain*

1.7.36. ECU 219.9 million was allocated for the construction of a new car tyre manufacturing

plant near Valencia. ECU 12.5 million was provided under the Edinburgh facility and the EEA financial mechanism for improving water supply and waste-water treatment infrastructures in the region of Valencia and ECU 18.7 million under the Edinburgh facility and the EEA financial mechanism for similar works in the region of Extremadura. ECU 6.3 million went towards extending, modernizing and upgrading the electricity network. ECU 59.7 million was granted for construction of the first stage of the Bilbao underground and the purchase of rolling stock. A loan of 53.4 million was granted for upgrading sections of the road network in Vizcaya. And ECU 18.9 million was granted in the form of global loans for the financing of small and medium-scale energy, infrastructure and environment projects by small businesses and for improving their competitiveness on the world market.

#### *Italy*

1.7.37. ECU 155.3 million was provided for the completion of the second gas pipeline across the Mediterranean. ECU 3.1 million went towards the modernization and extension of factories manufacturing water heaters and electrical equipment for bathrooms in the Marche region. A loan of ECU 103.5 million was granted for the extension of Malpensa airport in Milan. ECU 155.3 million was granted for the modernization and extension of a babyfood factory in Latina. ECU 6.2 million was allocated for the restoration and repair of historic buildings in Monreale and Milazzo (Sicily) and for restoration work on the Roman site at Pompeii. A loan of ECU 25.9 million was provided to complete the conversion to natural gas in Milan, ECU 10.4 million to extend the heating system in Verona and ECU 25.9 million to construct a district-heating network south-east of Turin. ECU 15.5 million went towards financing the modernization of a float glass production line in a factory in Pisa (Tuscany) and ECU 6.2 million for the construction of a car component factory at Melfi (Basilicata). A loan of ECU 25.9 million was granted for developing and exploiting the natural gas field (off Marche). And ECU 160.6 million was granted in the form of global loans for the financing of small and medium-scale projects in a wide range of sectors.

#### *Ireland*

1.7.38. ECU 10.7 million was granted for the construction of a new ferry terminal. ECU



33.8 million was granted in the form of global loans for the financing of small and medium-scale projects.

#### *Netherlands*

1.7.39. ECU 69.7 million was granted in the form of global loans for the financing of small and medium-scale projects.

#### *United Kingdom*

1.7.40. ECU 95.5 million (including ECU 19.1 million under the Edinburgh facility) was allocated for the extension of a terminal at Heathrow airport and the same amount for the development of four oil and gas fields in the Bay of Liverpool. ECU 136.2 million was granted under the Edinburgh facility for the construction of a road in Hampshire and Surrey. ECU 63.7 million (including 19.7 million under the Edinburgh facility) was provided for the construction of the Walsall section of the Black Country road in the West Midlands and ECU 70 million (including 44.6 million under the Edinburgh facility) for the construction of new sections and the upgrading of existing sections of the A299 and the A256 bypass in Kent. ECU 331 million went towards the construction of two gas-fired electricity power stations. A loan of ECU 222.8 million was provided for modernizing the domestic and international telecommunications network. And a total of ECU 127.3 million was granted in the form of global loans for the financing of small and medium-scale projects in a wide range of sectors.

#### *Portugal*

1.7.41. ECU 25.5 million (including ECU 12.3 million under the Edinburgh facility) went towards the construction of a drinking-water collection and supply network in the eastern Algarve. ECU 76.6 million (including ECU 20.4 million under the Edinburgh facility) was made available for the construction of a fourth underground line in Lisbon. And ECU 15.3 million was granted in the form of global loans to finance projects by small businesses in industry, services and tourism, including energy saving and environmental protection projects.

### *Outside the Union*

#### **EIB lending activities in the EFTA countries**

##### *Norway*

1.7.42. ECU 65.4 million was allocated for the construction of two rock-fill dams to increase the water storage capacity of the Svartisen hydroelectric plant in northern Norway.

#### **Cooperation and development policy**

##### *ACP countries*

##### **West Africa**

1.7.43. In Ghana, a loan of ECU 0.65 million was granted for a milk production project; in Guinea, ECU 1.98 million was granted for the privatization and renovation of the Grand Hotel in Conakry; and in Mali, ECU 35 million was provided for upgrading work on a goldmine and ECU 0.98 million in the form of global loans to finance projects by small businesses.

##### **East Africa**

1.7.44. In Kenya, ECU 35 million was granted in the form of global loans to finance projects by small businesses; and in the Seychelles, ECU 2 million was granted in the form of global loans to finance small and medium-scale projects in agro-industry, fisheries and transport.

##### **Southern Africa**

1.7.45. In Mauritius, ECU 14 million went towards improvements to the telecommunications network; in Zambia, ECU 18 million was granted to repair the Tazama oil pipeline; and in Zimbabwe, ECU 5.6 million was provided for upgrading work on a copper mine and ECU 17 million in the form of global loans to finance projects by small businesses.

##### **Africa as a whole**

1.7.46. ECU 0.38 million was granted in the form of global loans for the financing of small and medium-scale investment projects.

##### **The Caribbean**

1.7.47. In the Dominican Republic, ECU 15 million went towards improving the electricity net-

work; in St Lucia, ECU 3.5 million was provided in the form of global loans to finance small and medium-scale projects; and in St Vincent and the Grenadines, ECU 5 million was granted for upgrading the port of Kingstown and ECU 4 million for developing a new regional airline.

#### **ACP countries and OCT States**

1.7.48. ECU 35 million was granted in the form of global loans for the financing of small and medium-scale projects.

#### *Mediterranean countries*

##### **Cyprus**

1.7.49. ECU 17 million was granted for extending and modernizing drinking water supply networks in Nicosia and Larnaca. ECU 12 million was provided in the form of global loans for the financing of small and medium-scale projects in industry, tourism and services.

##### **Algeria**

1.7.50. ECU 80 million was granted for the construction of the Lakhdaria-Bouira section of the trans-Algerian motorway.

##### **Egypt**

1.7.51. ECU 40 million was granted for increasing the production capacity of a steel-works in Alexandria.

##### **Lebanon**

1.7.52. ECU 80 million was provided for rebuilding Beirut international airport.

#### **Cooperation with Central and Eastern Europe**

##### *Hungary*

1.7.53. ECU 100 million was granted for modernizing the telecommunications network. ECU 40 million was granted in the form of global loans to finance projects for the improvement of municipal infrastructures.

##### *Poland*

1.7.54. ECU 150 million went towards the extension of the telecommunications network.

ECU 125 million helped towards repairing 70 km of existing road between Wroclaw and Opole and upgrading it to motorway standard as well as building 56 km of motorway between Opole and Gliwice in the south-west of the country. A global loan of ECU 13 million was granted for the financing of small and medium-scale projects in industry and tourism.

##### *Estonia*

1.7.55. ECU 15 million was granted for the construction of a bulk terminal at the port of Muuga and another loan of ECU 20 million went towards improving the air-traffic control system.

##### *Romania*

1.7.56. A loan of ECU 50 million went towards modernizing the air-traffic control system.

##### *Czech Republic*

1.7.57. ECU 125 million was granted for modernizing the Czech section of the Berlin-Prague-Vienna railway line and ECU 100 million was granted for financing the Czech section of a new oil pipeline between Kralupy near Prague and Ingolstadt in south-east Germany.

#### **Cooperation with Latin America and Asia**

##### *Chile*

1.7.58. ECU 75 million was granted for the extension of the telecommunications network.

##### *Philippines*

1.7.59. ECU 23 million went towards extending a cemetery at Davao on the island of Mindanao.

## **Economic and Social Committee**

### **321st plenary session**

1.7.60. The Economic and Social Committee held its 321st plenary session on 21 December, chaired by Mr Ferrer and attended by Mr Lam-

mert, Secretary of State at the German Ministry of Economic Affairs.

Mr Lammert presented an assessment of the German Presidency at what he stressed was a particularly critical stage in the history of the Community, with implementation of the Maastricht Treaty, completion of the internal market and preparations for the 1996 institutional reform.

He gave a brief rundown of the priorities set by the Presidency at the beginning of its term and the significant progress made in a number of areas, particularly with regard to confidence in the future of European integration, the introduction of a new style of partnership with Eastern Europe, closer cooperation between Member States on home affairs and justice, and the appointment of the new Commission in accordance with the procedures agreed at Maastricht.

Mr Lammert went on to comment on the conclusions of the Essen European Council, with particular reference to easing the pressure on the labour-market, action for the long-term unemployed and young people out of work, the modernization of infrastructures and compliance with budgetary discipline.

*1.7.61.* The Economic and Social Committee adopted opinions on the following, without debate:

- the fiscal environment of small businesses (→ point 1.2.88);
- the *Twenty-third Report on Competition Policy* (→ point 1.2.42);
- aid to shipbuilding (→ point 1.2.64);
- exemption from VAT on the final importation of certain goods (→ point 1.2.35);
- establishing a Committee on monetary, financial and balance-of-payments statistics (→ point 1.6.5);
- the ecological quality of water (→ point 1.2.206).

## ECSC Consultative Committee

### 318th meeting (ordinary)

*1.7.62.* Luxembourg, 16 December.

**Chairman:** Mr Detaille

#### *Main items*

- Draft Commission Decision concerning the conclusion, on behalf of the European Coal and Steel Community, of the interim agreement on trade and trade-related matters between the European Community, the European Coal and Steel Community and the European Atomic Energy Community, of the one part, and Ukraine, of the other part: consultation (→ point 1.3.56).
- Proposal for a Council and Commission Decision on the conclusion of the partnership and cooperation agreement between the European Communities and their Member States, of the one part, and the Republic of Moldova, of the other part: consultation (→ point 1.3.52).
- Draft Commission Decision on the conclusion on behalf of the European Coal and Steel Community of the second additional protocol to the Europe Agreement between the European Communities and their Member States, of the one part, and certain non-member countries, of the other part, and to the interim agreements on trade and trade-related matters between the European Community and the European Coal and Steel Community, of the one part, and those same countries, of the other part: consultation (→ point 1.3.29).
- Draft Commission Decision extending the validity of Decision No 1478/94/ECSC of 27 June 1994 on the introduction of transitional tariff measures for products covered by the Treaty establishing the ECSC for Bulgaria, the Czech Republic, Slovakia, Hungary, Poland, Romania, Armenia, Azerbaijan, Belarus, Estonia, Georgia, Kazakhstan, Kyrgyzstan, Latvia, Lithuania, Moldova, Uzbekistan, Russia, Tajikistan, Turkmenistan, Ukraine, Croatia, Bosnia-Herzegovina, Slovenia and the Former Yugoslav Republic of Macedonia, until 31 December 1994 to take account of German unification: consultation (→ point 1.3.129).
- Seven texts concerning the application of the Europe Agreements on free trade and trade-related matters with the Czech Republic, Slovakia, Bulgaria, Romania and the Baltic States: consultation (→ points 1.3.24, 1.3.28, 1.3.32, 1.3.35, 1.3.39, 1.3.42 and 1.3.45).
- Outlook for the 1995 solid fuels market: consultation (→ point 1.2.109).
- Restructuring of the Community steel industry: exchange of views.

- Forward programme for steel for the first half of 1995: consultation (→ point 1.2.84).
- Resolution on appropriate monitoring of the steel market: adoption (→ point 1.2.85).
- Resolution on the granting of adequate budgetary appropriations for social and labour market policy support measures: adoption (→ point 1.5.7).
- Situation on the scrap market: exchange of views.
- Proposal for a Council and Commission Decision on the position to be taken by the Commu-

nity within the Association Council established by the Europe Agreement between the European Communities and their Member States, of the one part, and the Republic of Hungary, of the other part, signed at Brussels on 16 December 1991, with regard to the adoption of the necessary rules for the implementation of Article 62(1)(i), (1)(ii) and (2) of the Europe Agreement: consultation.

- Commission report to the Council on the monitoring of Article 95 ECSC steel cases (report No 2 of 1 November 1994): exchange of views.

**PART TWO**

**DOCUMENTATION**

# 1. The ecu

## Values in national currencies of ECU 1

December 1994<sup>1</sup>

BFR/ LFR	Belgian franc and Luxembourg franc	39.2942
DKR	Danish krone	7.49155
DM	German mark	1.91135
DR	Greek drachma	295.266
ESC	Portuguese escudo	195.995
FF	French franc	6.58300
HFL	Dutch guilder	2.14012
IRL	Irish pound	0.792076
LIT	Italian lira	1985.46
PTA	Spanish peseta	160.814
UKL	Pound sterling	0.779893
AUD	Australian dollar	1.56970
CAD	Canadian dollar	1.68833
FMK	Finnish markka	5.89217
ISK	Icelandic króna	83.7467
NKR	Norwegian krone	8.33451
NZD	New Zealand dollar	1.90758
OS	Austrian schilling	13.4520
SFR	Swiss franc	1.61623
SKR	Swedish krona	9.13679
USD	United States dollar	1.21584
YEN	Japanese yen	121.760
ZAR	South African rand	4.32925

<sup>1</sup> Average for the month: OJ C 2, 4.1.1995.

NB: Explanatory notes on the ecu and 'green' rates can be found in Bull. 7/8-1982, points 3.1.1 to 3.1.3, and Bull. 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*

December 1994

National currency/sector		Value in national currency of ECU 1	National currency/sector		Value in national currency of ECU 1
BFR/ LFR	Belgian franc and Luxembourg franc — All products	49.3070	FF	French franc — All products	7.98191
DKR	Danish krone — All products	9.34812	HFL	Dutch guilder — All products	2.65256
DM	German mark — All products	2.35418	IRL	Irish pound — All products	0.976426
DR	Greek drachma — All products	352.829	LIT	Italian lira — All products	2 339.97 2 383.42 on 21.12.1994
ESC	Portuguese escudo — All products	239.331	PTA	Spanish peseta — All products	192.319
			UKL	Pound sterling — All products	0.953575

## 2. Solemn Declaration on the conservation and management of the fishery resources of the Mediterranean

2.2.1. The participants in the Conference on fisheries management in the Mediterranean (→ point 1.2.192), held at Sissi, Crete, on 12 to 14 December, adopted the following declaration:

'All States (that term comprising, for the purposes of this Declaration, the European Union) participating in the Conference on fisheries management in the Mediterranean, held in Crete on 12, 13 and 14 December 1994,

1. Recognizing the desirability of promoting the peaceful uses of the seas, together with the rational and efficient utilization and the conservation of their living resources;
2. Desiring to cooperate with a view to ensuring the effective conservation of those resources in the Mediterranean, as well as the sustainable development of the fisheries;
3. Conscious of the specific characteristics of the Mediterranean, the multiple uses of which for industry and tourism, amongst others, contribute to the sensitivity of its environment;
4. Taking account of the relevant provisions of the United Nations Convention on the Law of the Sea, which entered into force on 16 November 1994 and which requires all members of the international community to cooperate in the conservation and management of the living resources of the high seas;
5. Bearing in mind the work of the United Nations Conference on Straddling Fish Stocks and Highly Migratory Fish Stocks and the international code of conduct for responsible fishing being drawn up under the auspices of the FAO, and in particular the Agreement to promote compliance with international conservation and management measures by fishing vessels on the high seas;
6. Being of the opinion that the conservation of Mediterranean fishery resources, and the long-term and

rational use of those resources, would be considerably enhanced if measures were adopted in cooperation by the coastal States of the Mediterranean and States whose nationals fish those resources in that sea;

7. Convinced of the need to reinforce existing structures for international cooperation in the Mediterranean, in such a way that all interested parties may participate therein and without neglecting the socio-economic consequences of effective action with regard to those resources,

Declare the following:

1. All States which benefit, in whatever capacity, from the biological wealth of the Mediterranean marine environment, share in the duty to ensure that its fishery resources are preserved and developed.
2. Effective regional cooperation must be encouraged at the highest level amongst the parties concerned, to be open to all coastal States and any State whose vessels fish in the Mediterranean.
3. The objective of that cooperation, covering the resources, the environment and the application of legal principles, shall be the implementation of a system of conservation and management, harmonized at Mediterranean level, on the basis of the best available scientific advice and the most beneficial existing practices, with the purpose of ensuring effective protection for the fishery resources of the Mediterranean and their rational exploitation, under the most favourable circumstances.
4. The coastal States of the Mediterranean and the other States which benefit from its biological resources will examine the legal instruments and other measures to be implemented in order to ensure comprehensive cooperation relating to the preservation and development of the fisheries resources of the region.'



### 3. Infringement proceedings

#### Reasoned opinions

##### *Failure to communicate any measures incorporating Directives into national law*

2.3.1. In December, the Commission delivered reasoned opinions in the following cases:

##### *Environment, nuclear safety and civil protection*

Directive 91/156/EEC (OJ L 78, 26.3.1991)  
Waste  
Italy

Directive 91/271/EEC (OJ L 135, 30.5.1991)  
Urban waste-water treatment  
Italy

Directive 91/410/EEC (OJ L 228, 17.8.1991)  
Classification, packaging and labelling of dangerous substances  
Italy

Directive 91/632/EEC (OJ L 338, 10.12.1991)  
Classification, packaging and labelling of dangerous substances  
Italy

Directive 92/112/EEC (OJ L 409, 31.12.1992)  
Reduction of pollution caused by waste from the titanium dioxide industry  
Italy

Directive 93/90/EEC (OJ L 277, 10.11.1993)  
List of substances referred to in Article 13 of Directive 67/548/EEC  
Italy

#### Cases referred to the Court of Justice

##### *Infringements of the Treaties or of Regulations; failure properly to apply Directives in practice*

2.3.2. In December the Commission referred the following case to the Court of Justice:

##### *Internal market and financial services*

Directive 71/305/EEC (OJ L 185, 16.8.1971)  
Public works contracts — treatment works on the River Unterems  
Germany

## 4. Additional references in the Official Journal

2.4.1. This section lists the titles of legal instruments, communications and notices that have appeared recently in the Official Journal but relate to items appearing in earlier issues of the Bulletin; the references were not available when those issues went to press.

The number of the Bulletin and the point to which this additional information refers are followed by the title shown on the cover of the Official Journal, the number of the issue and the date of publication.

### **Bull. 6-1990**

#### *Point 1.4.35*

Council Decision 94/897/EEC of 18 June 1990 on the conclusion of an Agreement in the form of an exchange of letters between the European Economic Community and Barbados, Belize, the People's Republic of the Congo, Fiji, the Cooperative Republic of Guyana, the Republic of Côte d'Ivoire, Jamaica, the Republic of Kenya, the Democratic Republic of Madagascar, the Republic of Malawi, Mauritius, St Kitts and Nevis, the Republic of Suriname, the Kingdom of Swaziland, the United Republic of Tanzania, the Republic of Trinidad and Tobago, the Republic of Uganda and the Republic of Zimbabwe on the guaranteed prices for cane sugar for the 1988/89 delivery period  
OJ L 355, 31.12.1994

### **Bull. 7/8-1990**

#### *Point 1.4.55*

Council Decision 94/898/EEC of 16 July 1990 on the conclusion of an Agreement in the form of an exchange of letters between the European Economic Community and the Republic of India on the guaranteed prices for cane sugar for the 1988/89 delivery period  
OJ L 355, 31.12.1994

### **Bull. 9-1991**

#### *Point 1.3.43*

Council Decision 94/899/EEC of 23 September 1991 on the conclusion of an Agreement in the form of an

exchange of letters between the European Economic Community and Barbados, Belize, the People's Republic of the Congo, the Republic of Fiji, the Cooperative Republic of Guyana, the Republic of Côte d'Ivoire, Jamaica, the Republic of Kenya, the Democratic Republic of Madagascar, the Republic of Malawi, Mauritius, St Kitts and Nevis, the Republic of Suriname, the Kingdom of Swaziland, the United Republic of Tanzania, the Republic of Trinidad and Tobago, the Republic of Uganda and the Republic of Zimbabwe on the guaranteed prices for cane sugar for the 1989/90, 1990/91 and 1991/92 delivery periods  
OJ L 355, 31.12.1994

### **Bull. 7/8-1992**

#### *Point 1.4.48*

Council Decision 94/900/EEC of 23 July 1992 on the conclusion of an Agreement in the form of an exchange of letters between the European Economic Community and the Republic of India on the guaranteed prices for cane sugar for the 1989/90, 1990/91 and 1991/92 delivery periods  
OJ L 355, 31.12.1994

### **Bull. 4-1993**

#### *Point 1.3.44*

Council Decision 94/901/EEC of 26 April 1993 on the conclusion of the Agreements in the form of an exchange of letters between the European Economic Community and, on the one hand, Barbados, Belize, the People's Republic of the Congo, the Republic of Fiji, the Cooperative Republic of Guyana, the Republic of Côte d'Ivoire, Jamaica, the Republic of Kenya, the Democratic Republic of Madagascar, the Republic of Malawi, the Republic of Mauritius, the Republic of Suriname, St Kitts and Nevis, the Kingdom of Swaziland, the United Republic of Tanzania, the Republic of Trinidad and Tobago, the Republic of Uganda, the Republic of Zimbabwe and, on the other hand, the Republic of India on the guaranteed prices for cane sugar for the 1992/93 delivery period  
OJ L 355, 31.12.1994

### **Bull. 6-1994**

#### *Point 1.2.48*

Commission Decision 94/811/EEC of 8 June 1994 declaring the compatibility of a concentration with the common market  
OJ L 332, 22.12.1994

*Point 1.2.53*

Commission Decision 94/893/EC of 21 June 1994 declaring a concentration to be compatible with the common market and the functioning of the EEA Agreement  
OJ L 354, 31.12.1994

**Bull. 7/8-1994**

*Point 1.2.138*

Proposal for a Council Regulation (EC) amending the Financial Regulation of 21 December 1977 applicable to the general budget of the European Communities  
OJ C 377, 31.12.1994

**Bull. 10-1994**

*Point 1.2.20*

Draft Commission Regulation (EC) on the application of Article 85(3) of the Treaty to certain categories of motor vehicle distribution and servicing agreements  
OJ C 379, 31.12.1994

*Point 1.2.73*

Commission Recommendation 94/820/EC of 19 October 1994 relating to the legal aspects of electronic data interchange  
OJ L 338, 28.12.1994

**Bull. 11-1994**

*Point 1.3.65*

Council Decision 94/902/EC of 14 November 1994 on the conclusion of the Agreements in the form of an exchange of letters between the European Community and, on the one hand, Barbados, Belize, the People's Republic of the Congo, Fiji, the Cooperative Republic of Guyana, the Republic of Côte d'Ivoire, Jamaica, the Republic of Kenya, the Republic of Madagascar, the Republic of Malawi, the Republic of Mauritius, the Republic of Suriname, St Kitts and Nevis, the Kingdom of Swaziland, the United Republic of Tanzania, the Republic of Trinidad and Tobago, the Republic of Uganda, the Republic of Zimbabwe and, on the other hand, the Republic of India on the guaranteed prices for cane sugar for the 1993/94 delivery period  
OJ L 355, 31.12.1994

*Point 1.7.20*

Report on the accounts and management for the 1993 financial year of the European Centre for the Development of Vocational Training (Cedefop — Berlin)  
OJ C 378, 31.12.1994

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