

**research and technology**WEEKLYbulletin published by the press and information services  
of the commission of the european communities**REPRODUCTION AUTHORIZED**

Brussels, 14 July 1970

No. 62

\*\* The Fourth European Space Conference, which is to be held in Brussels from 22 to 24 July, will be the occasion for an OVERALL EXAMINATION OF THE PROGRAMME OF SPACE ACTIVITIES TO BE CARRIED OUT IN EUROPE.

An extract of the passage which the Commission of the European Communities devotes to this problem in the note which it submitted to the Council of Ministers on 17 June 1969 is given as an ANNEX (see No. 59 of "Research and Technology").

\*\* Mr ALTIERO SPINELLI has been given special responsibility for INDUSTRIAL AFFAIRS AND RESEARCH AND TECHNOLOGY PROBLEMS in the Commission of the European Communities.

\*\* A draft STATUTE FOR A EUROPEAN JOINT-STOCK COMPANY has been submitted by the Commission of the European Communities to the Council of Ministers of the Community. A short summary of the Commission's proposals will be found IN ANNEX 2.

\*\* The Commission of the European Communities recently published a FOURTH LIST OF ALL THE TECHNICAL NOTES which were circulated between 15 December 1969 and 20 April 1970.

For further information please apply to the

Commission of the European Communities  
Directorate-General for Press and Information  
Scientific and Technological Information Service  
200, avenue de la Loi  
1040 Brussels - Tel. 350040

1/2  
333

These technical notes contain brief descriptions of the results obtained in carrying out Euratom research programmes and are intended to enable Community industries to judge whether industrial exploitation of these results is worth while.

\*\* In reply to a written question from Mr Oele, Dutch member of the European Parliament, on the subject of THE TAKE-OVER OF A EUROPEAN FIRM (Verblifa) BY AN AMERICAN ENTERPRISE (Continental Can Company), the Commission of the European Communities states:

"The Commission considers that foreign investments make an important contribution to the economic development of the Community.

It notes, however, that the only international link-ups which are developing at a relatively fast rate are those between Community firms and firms in non-member countries, usually the United States. They very often consist in the purchase or assumption of control by a more powerful firm in a non-member country. While recognizing the considerable benefit from associations with firms in non-member countries, the Commission believes that the Community should endeavour to obtain a better-balanced position in this field.

With this end in view it has recently proposed in its memorandum on the Community's industrial policy that in certain cases of projects for Community firms to be taken over by enterprises in non-member countries there should be contacts between Member States at the request of one of them or of the Commission.

While not recommending a protectionist attitude, the Commission considers that the development of trans-frontier investments must accord with the Community rules of competition and ensure an appropriate balance between facilities provided for foreign investments within the Community and ..//..

the facilities obtained for Community investments in the chief non-member countries."

\*\* The Committee on Energy, Research and Atomic Problems of the European Parliament decided at its last meeting to address a letter to Mr Spinelli, Member of the Commission of the European Communities with special responsibility for industrial and research problems, informing him of their concern about THE FUTURE ROLE OF THE JOINT RESEARCH CENTRE and requesting him to impress upon the Council of Ministers of the Community the necessity of arriving at decisions on the Community's multi-annual research programme as early as possible.

\*\* Among the recent EURATOM REPORTS are the following:

(36 pp - B.Fr. 50 - No. EUR 4453 f - available in French)

(No. EUR 4473 f - available in French)

(68 pp - B.Fr. 85 - No. 4474 d - available in German)

(46 mm - B.Fr. 70 - No. EUR 4481 f - available in French)

These reports can be obtained from the Sales Office for Official Publications of the European Communities, 37, rue Glesener, Luxembourg.

\*\* As part of an overall Community programme, INDIVIDUAL NEUTRON DOSIMETERS from French, German, Italian and Dutch nuclear installations will be calibrated under irradiation in the Central Bureau for Nuclear Measurements at the Geel establishment of the Joint Research Centre.

\*\* VISITORS to the ISPRA ESTABLISHMENT of the Joint Research Centre during the last few days have included in particular:

- Prof. Antoncik of the Institute of the University of Aarhus (Denmark), who gave a lecture on "Impact ionization in semi-conductors."
- Prof. E. Fantuzzo of the Research Division of Ferrania (Italy), who gave a lecture on the theory of the photographic process and of condensed state physics.
- Prof. H. Kienitz of the BASF at Ludwigshafen (Germany), who gave a lecture on reference standards and associated physico-chemical measurements.

RECOMMENDED SPACE ACTIVITIES FOR EUROPE

Extract from a communication forwarded by the Commission of the European Communities to the Council of Ministers of the Community on 17 June 1970.

---

The Commission is concerned about the persistent difficulties observed since 1968 as regards determining the space activities to be carried out in Europe in the coming years. These difficulties are prejudicial to European industrial and technological development and they adversely affect the progress of European cooperation over the whole field of major technology.

The Commission considers that Europe cannot stand aside from the economic exploitation of space. All the evidence of the information at present available is that in the long run at least data transmission satellites (telecommunications, television, resources, etc.) are sure to be of economic value. It would therefore be desirable to give priority to the construction of a regional telecommunications satellite (which will be a start towards the development of a direct-television satellite, chosen as a long-term objective by the Bad Godesberg space conference) and the construction of an air-navigation satellite, applications in which European users are already showing signs of interest. To these activities would be added a rational scientific satellites programme of genuine interest to European scientists.

Europe will clearly require the necessary launchers to put into orbit the satellites which it decided to construct. In view of the present uncertainty as to the possibility of obtaining from abroad launchers to meet all types of European needs, it is essential to continue the European programmes now under way.

If negotiations with the US, possibly when it comes to examining the question of participation in the post-Apollo programme, should lead to a guarantee of delivery of the necessary launchers at reasonable prices, the programme advocated above could be revised.

ANNEX 1

According to the initial studies, the post-Apollo programme would bring about a far-reaching revolution in space exploitation techniques after 1980. Thus the US offer of participation provides Europe with an opportunity to take part in the development of these new techniques and later to have use as a matter of right of all the equipment constructed under this programme. The prospect of such cooperation should not, however, be allowed to cause doubts to be raised prematurely with regard to the important parts of the European programmes, for the industrial and technological potential acquired by Europe will be a major factor in the safeguarding of its interests and the success of cooperative action. It is therefore essential that the negotiation and putting into effect of European participation in the post-Apollo programme should be conducted jointly by the European countries concerned.

In order to ensure the realization of the aims stated above, it is vital to create a single European space organization responsible for the studies and decisions on and the implementation of European programmes.

With respect to the negotiation of definitive INTELSAT agreements - a process which is of capital importance as regards the future of European space activities - the existing divergencies are prejudicial to the interests of the Member States and of the Community as a whole; it is therefore essential to arrive at a common standpoint.

The Commission desires that, without prejudice to the powers of the European organizations, the ministers responsible for scientific and technical affairs should discuss the foregoing problems at a forthcoming meeting of the Council with a view to defining common positions. This discussion might be considered as a starting point for more regular coordination of standpoints on space problems, especially since after the Fourth Space Conference the European programmes will still be to some extent ..//..

ANNEX 1

of an interim character up to the time when the conclusion of the negotiations on European participation in the post-Apollo programme will make it possible to draw up definitive programmes. The preparatory work on such regular coordination should be entrusted to the PREST Group ("Aigrain" Group).

A DRAFT STATUTE FOR A EUROPEAN JOINT-STOCK COMPANY

Why, despite the establishment of the Common Market, have there been scarcely any genuine mergers of firms on the European scale, when in many sectors today conditions governing profitability and competitiveness call for such realignments? Economic integration is still hampered by the various barriers between the national markets, and particularly by what have hitherto been differing legal orders.

Considering that the harmonization of the various national laws, while indispensable, is nonetheless insufficient in itself, the Commission of the European Communities carried out a long-term study on the problem of devising a common legal form for enterprise, to be applied in the same way throughout Community territory. On 24 June it adopted a draft European company law, which it has now submitted to the governments of the Six. The fundamental aim of this draft is to fill a gap; it is not designed to take the place of the national laws. It institutes a new form of company - the European joint-stock company.

European joint-stock company status can be chosen by joint-stock companies having their headquarters in different Member States (whatever may be the nationality of the holders of the capital), when they carry out one of the following operations:

- international merger;
- establishment of holding companies;
- establishment of joint subsidiaries.

Thus the mere conversion of companies incorporated under national law into companies under European law is not envisaged (even when they have an international character by virtue of their personnel, capital, type of operations, subsidiaries, etc.).

The minimum capital of the European joint-stock company must be 500,000 units of account in the case of mergers or the establishment



ANNEX 2

of a holding company, and 250,000 units of account in case of the establishment of a joint subsidiary (1 unit of account = 1 US dollar). The shares may be either registered or bearer.

The European companies will be entered in a European register of companies to be kept with the Court of Justice of the European Communities. They will be free to set up their headquarters anywhere they please in the Community. They may have several headquarters. For tax purposes, however, these companies will be deemed to have their headquarters at the place from which they are actually managed. They will, however, be able to opt for the system of world profit. This would allow them to deduct in the country of tax domicile the losses suffered by establishments abroad.

As regards management, the European joint-stock company will, in line with tendencies in the Member States, have at its head a board of management, which is the company's decision-taking centre, a supervisory board, and a general meeting of shareholders.

Workers' participation in the management of the enterprise will be one of the outstanding features of the European joint-stock company:

- alongside the national works councils, which will continue to fulfil their own tasks, a European works council will have competence in matters concerning the whole of the company;
- at least one-third of the supervisory board will be composed of workers' representatives (unless two-thirds of the personnel of the company reject representation); at least one of these representatives must not be employed in the company;
- lastly, the European companies will be able to conclude collective agreements with the trade unions represented in their establishments.

ANNEX 2

There are special provisions concerning laws on corporate groups, designed particularly to protect independent shareholders outside the group and the creditors of enterprises associated with the group. A European joint-stock company which becomes a member of a group is required to make the fact known immediately.