

PRESS RELEASE

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1529th Council meeting

- INTERNAL MARKET -

Brussels, 7 November 1991

President: Mr Piet DANKERT
State Secretary
for Foreign Affairs
of the Kingdom of the Netherlands

The Governments of the Member States and the Commission of the European Communities were represented as follows:

Belgium:

Mr Paul DE KEERSMAEKER State Secretary for European Affairs

Denmark:

Ms Anne-Brigitte LUNDHOLT Minister for Industry

Germany:

Mr Johann EEKHOFF State Secretary, Federal Ministry of
Economic Affairs

Greece:

Mr George VLACHOS Secretary-General, Ministry of
Economic Affairs

Spain:

Mr Carlos WESTENDORP State Secretary for Relations with the
European Communities

France:

Mrs Elisabeth GUIGOU Minister for European Affairs

Ireland:

Mr Desmond J. O'MALLEY Minister for Industry and Commerce

Italy:

Mr. Pierluigi ROMITA Minister for Community Policies

Luxembourg:

Mr Jim CLOOS

Deputy Permanent Representative

Netherlands:

Mr Piet DANKERT

State Secretary for Foreign Affairs

Portugal:

Mr Vitor MARTINS

State Secretary for European
Integration

United Kingdom:

Mr John REDWOOD

Minister of State, Department of Trade
and Industry (Minister for Corporate
Affairs)

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Commission:

Mr Martin BANGEMANN

Vice-President

PROGRESS REPORT ON THE COMPLETION OF THE INTERNAL MARKET

The Council discussed a Presidency note taking stock of the proceedings on the completion of the internal market. The note, which met with a very favourable reception, was intended to encourage a maximum collective effort to adopt the entire legislative programme necessary for the completion of the large market in the near future.

MOTOR VEHICLES

With a view to the adoption of common positions at its December meeting the Council discussed the three proposals concerning:

- the masses and dimensions of motor vehicles of category M1,
- safety glazing and glazing materials on motor vehicles and their trailers and
- pneumatic tyres for motor vehicles and their trailers.

The European Parliament has not yet delivered its Opinion on the tyres proposal.

On the conclusion of the discussion the Council established that there was complete agreement on the technical content of the three Directives designed to set up the Community motor-vehicle type-approval procedure provided for in Directive 70/156/EEC. Community type approval, which is an essential part of the completion of the single market for motor vehicles, will help to reduce the number of administrative steps that manufacturers must

take and simplify the registration procedure to be completed by members of the public who buy motor cars. So far forty-one of the forty-four Directives that are necessary have been adopted in the framework of the implementation of Community type approval. The three Directives concerned here will complete that implementation process.

With a view to the adoption of common positions planned for the December meeting, the Commission will continue its analysis of any links that may exist between the completion of Community type approval and the application of the rules of competition (Article 85(3) of the EEC Treaty) to certain categories of motor-vehicle distribution agreements.

THE STATUTE FOR A EUROPEAN COMPANY

The Council discussed in depth certain aspects of this dossier, the importance of which in the context of the completion of the internal market was confirmed by the European Council at its meeting in Luxembourg on 28 and 29 June 1991.

Inter alia the Council discussed methods by which European Companies (SE) might be formed and employee participation.

On the subject of formation, the Council established that broad consensus existed on the four methods proposed by the Commission, namely

- the merger of two companies with a view to the formation of a new SE,
- the creation of a holding company,

- the creation of a joint subsidiary and
- the conversion of an existing public limited-liability company.

The need to establish mechanisms to provide effective protection for creditors and minority shareholders when an SE was being formed was stressed.

On the conclusion of its discussion of methods of formation the Council instructed the Permanent Representatives to continue the discussion and provide the SE with formation methods that took as much account as possible of particularities of national law and were attractive to European undertakings.

A more detailed analysis will be made of, inter alia, the formation of an SE by merger by acquisition and the possibility of a natural person's forming an SE holding company, possibly through a single-member company.

As regards employee participation, the Council instructed the Permanent Representatives Committee to continue the discussions actively taking account of the wish expressed by a number of delegations that the different systems operated by the Member States be respected.

FOOD AND FOOD INGREDIENTS TREATED WITH IONIZING RADIATION

The Council continued its discussion of the proposal for a Directive harmonizing the provisions on the ionization of foodstuffs in such a way as to eliminate the obstacles to the free movement of foodstuffs while protecting human health.

The proposal for a Directive applies to the treatment and marketing of food and food ingredients treated with ionizing radiation, which could be marketed only if they complied with the Directive.

The Council instructed the Permanent Representatives Committee to continue the discussion on the basis of a compromise involving the following:

- a framework Directive to be adopted to harmonize the conditions of use of the ionization process as regards equipment, labelling and inspection;
- a second Directive that would list all the products ionization of which would be permitted throughout the Community (aromatic herbs, spices and vegetable seasonings);
- a transitional period during which foodstuffs the ionization of which is authorized by national departments would still be allowed to circulate throughout Community territory;
- any subsequent addition to the list of products the ionization is authorized at Community level would be decided on by the Council by a qualified majority on a Commission proposal and the opinion of the Scientific Committee for Food.

SWEETENERS FOR USE IN FOODSTUFFS

The Council confirmed the political agreement reached at its meeting on 22 July 1991 on the common position on sweeteners for

use in foodstuffs.

More particularly, the Council agreed on an arrangement to state in the annex to the Directive the categories of beer to which sweeteners might be added and in a footnote the conditions governing the banning of the use of sweeteners in traditional alcohol-free and low-alcohol beers.

The solution found will safeguard the right of establishment of breweries and the freedom of movement of beers throughout Community territory.

IMPACT 2

The Council adopted the Decision on the IMPACT 2 programme (Information Market Policy Action), which is intended to create an internal market in information services. The programme will last four years and have a budget of ECU 64 million.

The proposal for an IMPACT 2 Decision follows the implementation of a first plan of action, which lasted two years (1989-1990) and had a budget of ECU 36 million. IMPACT 2 takes over the general objectives of the first action programme, adjusting the lines of action and the intervention mechanisms in the light of the experience gained and the developments identified on the market. IMPACT 2 seeks, more particularly, to:

- set up an internal market in information;
- increase the competitiveness of European suppliers of information services;
- promote the use of advanced information services;

- promote a Community policy on information services;
- exploit the results obtained in conjunction with other national and Community programmes.

To achieve those objectives actions will be pursued in the following areas:

- improvement in knowledge of the information market on the part of potential users;
- elimination of legal and administrative obstacles to the development of a European market in electronic information services;
- improvement in the user-friendliness of information services and the information culture;
- support for strategic information initiatives carried out on a shared-cost basis jointly with public- and private-sector operators.

The possibility of third-country participation is also being considered.

PENSION FUNDS

The Council heard an oral report from the Commission on the proposal for a Directive on pension funds. This proposal is intended to liberalize the services offered to retirement funds, in the fields of financial management and funds deposits in particular.

In view of the importance of this matter in the context of the completion of the internal market, the Council undertook to start discussing the proposal for a Directive as soon as possible.

TRANSEUROPEAN NETWORKS

The Council heard an oral communication from the Italian delegation, which asked that this item be put on the agenda for a forthcoming Council meeting. It pointed out that the Council adopted a Resolution on the subject in January 1990 and that in December 1990 the Commission submitted a communication including a programme for implementation.

OTHER DECISIONS IN THE INTERNAL MARKET FIELD

Statistics relating to the trading of goods between Member States

The Council adopted the Regulation setting up a permanent system for the collection of statistics on the trading of goods between Member States to operate from 1 January 1993 after the elimination of physical frontiers.

Reliefs from customs duty

The Council adopted the Regulation amending Regulation (EEC) No 918/83 setting up a Community system of reliefs from customs duty. This amendment extends the Community system of reliefs from customs duty to goods of negligible value (not exceeding ECU 22 in value per consignment), scientific instruments and appliances imported exclusively for non-commercial purposes or for medical research and items specially designed for purposes of education, employment and social promotion.

Frontier controls

The Council adopted the Regulation amending Regulation (EEC) No 4060/89 on the elimination of controls performed at the frontiers of Member States in the field of road and inland waterway transport.

The Regulation adopted provides for the possibility from 1 January 1992 of the Commission's proposing amendments to the arrangements for national controls on means of transport and the relevant documents for the transport of dangerous goods and perishable foodstuffs to take account of technological progress.

MISCELLANEOUS DECISIONS

Research

The Council adopted the Decision giving the Commission directives for the negotiation of a memorandum of understanding for co-operation between the EAEC and the Government of Canada in the field of controlled thermonuclear fusion. The purpose of the memorandum will be to extend to Canada the co-operation agreement on the international thermonuclear experimental reactor (ITER) project which the Community has negotiated with Japan, the USSR and the United States.

Relations with the ACP States

The Council adopted a draft Decision of the Council of ACP-EEC Ministers on the cancellation of the undertaking given by ACP States to contribute to replenishing the resources of the system of stabilization of export earnings (STABEX) under the first, second and third ACP-EEC Conventions. It should be recalled that the least-developed ACP States were already exempt from this obligation, which in the fourth Convention was abolished for all ACP States.

With this important Decision the Community is writing off past debts, some of which date from the start of STABEX, and at the same time freeing the ACP States from the concern of having to repay all or part of the transfers they have received, which amount to ECU 899 million under Lomé I, II and III. This arrangement, which is intended to release the financial constraints weighing on the ACP States by means of STABEX, the specific instrument of ACP-EEC co-operation, is in response to the requirement, stated by the European Council meeting in Rome, that the principles underlying international strategy for the treatment of official debt be complied with. This measure accompanies the new provisions

of the Lomé Convention on debt and the efforts being made bilaterally and in the competent bodies by the Member States to lighten the debt burden of the most indebted poor countries. Finally, this Decision illustrates the Community's continuing political commitment to its ACP partners.
