

COUNCIL OF THE EUROPEAN COMMUNITIES GENERAL SECRETARIAT

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PRESS RELEASE

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1501st Council meeting - INTERNAL MARKET -Luxembourg, 18 June 1991

President: Mr Georges WOHLFART State Secretary for Foreign Affairs and Foreign Trade of the Grand Duchy of Luxembourg

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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: Mrs Anne-Birgitte LUNDHOLT Minister for Industry Mr Christophe BO BRAMSEN State Secretary for Industry Germany: Mr Johan EECKHOFF State Secretary, Federal Ministry of Economic Affairs Greece: Mr Sotirios HATZIGAKIS Deputy Minister for Trade Spain: Mr Carlos WESTENDORP State Secretary for Relations with the European Communities France: Mr Jean CADET Deputy Permanent Representative Ireland: Mr Desmond J. O'MALLEY Minister for Industry and Commerce Italy: Mr Pierluigi ROMITA Minister for Community Policies Luxembourg: Mr Georges WOHLFART State Secretary for Foreign Affairs and Foreign Trade

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Netherlands:

Mr Piet DANKERT

Portugal:

Mr Vitor MARTINS

United Kingdom:

Mr John REDWOOD

Mrs Gillian SHEPHARD

State Secretary for Foreign Affairs

State Secretary for European Integration

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

Minister of State, Treasury

Commission:

Mr Martin BANGEMANN Sir Leon BRITTAN Mr Antonio CARDOSO E CUNHA

Vice-President Vice-President Member

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REMEDIES: WATER, ENERGY, TRANSPORT AND TELECOMMUNICATIONS SECTORS

The Council reached unanimous agreement in principle on the proposal for a Directive co-ordinating the laws, regulations and administrative provisions relating to the application of Community rules on procurement procedures in the water, energy, transport and telecommunications sectors.

A general Directive opening up such procurement to competition was adopted by the Council in September 1990.

The new Directive is designed to ensure the availability at both national and Community level of swift, effective remedies under procurement procedures in these sectors.

The proposal's main provisions are for:

- remedies to be introduced by Member States, including the awarding of damages;
- an attestation procedure which purchasing entities will be able to follow;
- a corrective mechanism strengthening the Commission's scope for action in cases involving a clear and manifest infringement;

- a conciliation procedure at Community level.

Member States will have to adopt the measures needed to comply with the Directive by 1 January 1993, except for Spain, Portugal and Greece, in whose case the measures are to be adopted later.

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The proposal will be submitted to one of the Council's forthcoming meetings for formal adoption of its common position.

BAGGAGE CONTROLS IN INTRA-COMMUNITY FLIGHTS AND SEA CROSSINGS

The Council adopted, by a qualified majority, a common position on the Regulation concerning the elimination of controls and formalities applicable to the cabin and checked baggage of passengers taking an intra-Community flight and the baggage of passengers making an intra-Community sea crossing.

This measure is due to come into effect on 1 January 1993, at the same time as the completion of the internal market.

However, for the purposes of preventing criminal activities, particularly with regard to terrorism, drugs and trafficking in works of art, Member States will be able to carry out controls in connection with prohibitions or restrictions, provided that they are compatible with the three Treaties establishing the European Communities. Security checks on baggage will, of course, also be unaffected.

The Regulation contains, in particular, special provisions concerning where controls are to be carried out in the case of air transport comprising a number of successive flights, partly within the Community and partly outside it.

By 1 October 1992, the Council is to review the Regulation on the basis of a Commission progress report on the harmonization of provisions concerning the

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completion of the internal market required for the proper application of the Regulation, particularly those on the discontinuation of duty-free allowances for passengers in intra-Community transport.

SECOND GENERAL SYSTEM FOR THE RECOGNITION OF PROFESSIONAL OR VOCATIONAL EDUCATION AND TRAINING

The Council held a detailed discussion on the proposal for a Directive on a second general system for the recognition of professional or vocational education and training. That Directive is designed to supplement the first general system, which established the recognition of diplomas in the context of regulated professions requiring a university-level course of at least three years' duration (Directive 89/48/EEC).

The new Directive provides for a parallel system of recognition for regulated professions and occupations requiring either a post-secondary course of less than three years' duration ("diploma") or a course of secondary studies ("certificate").

It also provides for link-ups between the two systems in order to cover occupations coming under the first system in one Member State and under the second system in another.

Discussions in the Council confirmed some majority approaches on key points in the Directive, an outcome which should pave the way for overall agreement in the next few months.

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ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS OF INSURANCE UNDERTAKINGS

The Council reached agreement in principle, by a qualified majority, on the proposal for a Directive on the annual accounts and consolidated accounts of insurance undertakings.

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Directive 78/660/EEC (Fourth Council Directive on the annual accounts of certain forms of company) stipulated that, pending further co-ordination, Member States would not be required to apply its provisions to banks or to insurance undertakings. Banks and other financial institutions were dealt with in Directive 85/635/EEC and so the purpose of the new Directive is to plug this last major gap in Community accounting law by laying down harmonized rules in the insurance field. The Directive is also to enable the provisions of Directive 83/349/EEC on consolidated accounts to be applied, with the necessary adjustments, to the annual accounts of insurance undertakings.

The proposal thus represents a substantial step forward in Community legislation, both on accounting and on insurance. By establishing greater transparency and comparability of accounts, the Directive will contribute significantly to the creation of a single market in insurance.

The proposal will be submitted to one of the Council's forthcoming meetings for adoption of its common position.

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INSURANCE COMMITTEE

Pending receipt of the European Parliament's Opinion, the Council discussed the proposal for a Directive setting up a single Insurance Committee. Broad agreement emerged on the setting-up of the Committee with the task of considering any matters in connection with the application of Community provisions concerning the insurance sector and in particular the Directives on direct insurance.

The Council is to examine the proposal again in the light of the European Parliament's Opinion, once delivered.

STATISTICS RELATING TO THE TRADING OF GOODS BETWEEN MEMBER STATES

The Council adopted, by a qualified majority, a common position on the Regulation introducing a permanent system for compiling statistics (INTRASTAT) following the abolition of physical borders, as from 1 January 1993, and hence of the customs base from which statistics on trade in goods are traditionally obtained.

The new system to provide statistics on trade in goods between Member States is based on the principle of gathering the necessary data directly from the consignors and consignees of such goods.

Use is to be made of methods and techniques that will produce exhaustive, reliable and up-to-date information, while cutting down formalities and reducing the burdens on businesses.

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TRANS-EUROPEAN NETWORKS

The Council again discussed the draft Resolution on a programme of action concerning major trans-European networks. As the question of financing arrangements still gave rise to difficulties, the Council decided to return to this at a future meeting.

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It should be pointed out that the Council adopted a Resolution on the matter in January 1990 and in December 1990 received a communication from the Commission containing a programme for the creation of major trans-European networks.

SWEETENERS FOR USE IN FOODSTUFFS

The Council held an initial discussion on the proposal for a Directive on sweeteners for use in foodstuffs.

The purpose of the proposal is to draw up, under Article 3 of Directive 89/107/EEC on food additives authorized for use in foodstuffs intended for human consumption, a list of additives authorized for use and the conditions under which they may be used in foodstuffs.

This forms the first instalment of the comprehensive Directive called for by Directive 89/107/EEC, to be followed by other proposals to supplement and update Community legislation on additives in the context of completing the internal market.

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The Council instructed the Permanent Representatives Committee to continue with examination of the proposal in the light of discussions in the Community Scientific Committee and to take into account the Council's guidelines on the question of German beers and sales descriptions.

SUPPLEMENTARY PROTECTION CERTIFICATE FOR MEDICINAL PRODUCTS

The Council took note of an interim report by the Presidency on the proposal for a Regulation concerning the creation of a supplementary protection certificate for medicinal products.

The Regulation is designed to improve legal protection in the Member States for patented medicinal products, for which the present marketing authorization system in practice shortens such protection (the date of lodging the patent application being taken).

The introduction of a supplementary protection instrument taking effect immediately after expiry of the patent would place the pharmaceutical industry established in Member States in a similar situation to that obtaining in some non-Member States.

ACQUISITION AND POSSESSION OF WEAPONS

The Council finally adopted the Directive on control of the acquisition and possession of weapons.

The purpose of the Directive is to lay down rules on control within Member States with a view to the removal of police controls on the possession of weapons when crossing Community borders. Common rules are laid down at Community level, though Member States will be allowed to adopt more stringent legislation.

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Under the Directive:

- each Member State is to make the pursuit of the activity of dealer within its territory conditional upon authorization. Application will be examined on the basis of at least a check on the private and professional integrity of the dealer or, in the case of a legal person, the person who directs the undertaking;
- each dealer is to keep a register in which information concerning all firearms classified in categories A, B or C (A: prohibited to the public; B: subject to authorization; C: subject to declaration; D: unrestricted) received or disposed of by him will be recorded, including such particulars as enable the weapon to be identified, in particular its type, make, model, calibre and serial number and the names and addresses of the supplier and the person acquiring the weapon;
- Member States will allow the acquisition and possession of firearms classified in category B (requiring authorization) only by persons who have good cause and who are:

= 18 years old or more, except for hunting or target-shooting;

= mentally and physically fit to do so;

= not likely to be a danger to public order or to public safety;

- no-one will be able to acquire a firearm classified in category B within the territory of a Member State unless that Member State has so authorized him. No such authorization may be given to a resident of another Member State without the latter's prior agreement (which may take the form of an entry on a European firearms pass);

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- Member States are to provide for the compulsory declaration of all firearms classified in category C (subject to declaration) at present held within their territories but not previously declared within one year of the entry into force of the national provisions transposing the Directive;
- each Member State is to prohibit the handing over of firearms and ammunition within its territory, whether by a dealer or by any other person, to a person who is not resident in the Member State in question unless:
 - = the latter person has been authorized himself to effect a transfer to his country of residence;
 - = or he intends to be in possession of the firearm in the Member State of acquisition (provided that he fulfils the legal conditions for possession in that Member State);
- rules are to be laid down on formalities for the movement of weapons within the Community;
- rules will be more flexible in the case of hunters and marksmen.

DANGEROUS SUBSTANCES

The Council finally adopted the tenth and eleventh amendments to Directive 76/769/EEC on restrictions on the marketing and use of dangerous substances.

The tenth amendment prohibits, by means of negative lists:

 the use of cadmium in three areas of use: pigments, stabilizers and treatment of certain surfaces;

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- the placing on the market of finished products or components of products included in the negative lists for pigments and stabilizers if the cadmium content exceeds 0,01% by mass.

The situation is to be reassessed within three years of the Directive's implementation.

The eleventh amendment restricts the marketing and use of three substances bearing the trade names Ugilec 141, Ugilec 121 or 21 and DBBT respectively:

- in the first case, marketing and use are prohibited, though with a very limited number of exceptions;
- in the other two cases, marketing and use are prohibited entirely straight away.

STATUTE FOR A EUROPEAN COMPANY

The Council took note of progress with the two proposals for a Regulation on the Statute for a European company and a Directive complementing it with regard to the involvement of employees.

These proposals supersede the earlier 1970 and 1975 proposals and follow the memorandum submitted in July 1988.

The Presidency report showed that the two years' intensive discussions ending with the current Presidency have enabled the obstacles to the adoption of a Statute for a European company to be pinpointed and a number of them removed already by simplifying the text under discussion. The Presidency believes that it should be possible for consideration of the amended proposals submitted by the Commission in May 1991 to be successfully completed on a time scale compatible with the completion of the internal market.

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IMPLEMENTATION OF THE WHITE PAPER ON THE COMPLETION OF THE INTERNAL MARKET

- Commission report

On the basis of the 6th Commission report on the implementation of the White Paper on the completion of the internal market, following the practice adopted under the Italian Presidency, the Council reviewed internal market completion. It noted with satisfaction that progress had been maintained and that, in view of the decisions taken at this meeting, about 3/4 of the proposals listed in the White Paper had already been or were about to be adopted.

The incoming Netherlands Presidency stated that the completion of the single market was still and would remain a top priority in its work programme.

Members of the Council reaffirmed their commitment to do their utmost to ensure that the 1992 target was met.

The Council also took note of progress in transposing Community measures into national law, in respect of which the Commission report showed that there had been an improvement compared with the previous situation.

Members of the Council reiterated their resolve to see that the measures to be transposed were indeed implemented and to step up their efforts in this respect.

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- General progress report

On the basis of the Presidency report, the Council took stock of ongoing work on matters not yet submitted to the Council for discussion.

The Council welcomed:

- the co-operation of the European Parliament, which had in particular at its June part-session delivered many Opinions enabling progress to be made on a number of important matters;
- the possibility that a number of proposals on which significant progress had been made were now very close to adoption.

REVISION OF THE ACTION PROGRAMME FOR SMEs

Under the revision of the action programme for small and medium-sized enterprises, the Council decided to release ECU 25 million in addition to the ECU 110 million already provided for under the programme.

At the Industry Council meeting on 29 April 1991, that decision had depended on the Commission providing information on activities to assist craft industry and SMEs (see press release 5812/91 (Presse 55)).