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frontier-free EUROPE

A new approach to the environment

■ by Yannis Paleokrassas, Member of the European Commission

Over the past 20 years the Community has developed important legislation in the environmental field, drawing up nearly 200 sectoral directives. But this policy has been essentially defensive, even curative. The approach has not been systematic. This gap is being filled, inasmuch as the Maastricht Treaty introduces a veritable Community environmental policy.

New principles

The Community's new approach is illustrated by its fifth environmental programme, which is based on new principles, such as co-responsibility, prevention, integration and a systematic approach.

Co-responsibility amounts to a recognition by lawmakers that everyone is responsible for safeguarding the environment at his or her level. No longer is it a question of the State alone, or of the Community, acting at one and the same time as both environmental policemen and caretakers. Each individual, businessman or local body must equally assume its share of responsibility.

This transition towards a more pro-active policy of voluntary prevention began with the adoption of the eco-management and audit scheme, which enables businesses freely to undertake to reduce the harmful effects of their activities. Similarly, the European eco-label will enable consumers to identify and choose products which are less polluting. It is a safe bet that in future 'clean' products will also represent a competitive asset for the companies which make them.

Integration is a decisive principle for the success of future policies. So far there has been a tendency to consider the environment, all too often, as a separate discipline. But if it is to be effective, environmental protection must be viewed differently: it must be brought into the picture from the moment work begins on drafting other policies (agricultural, industrial, transport, etc.), in order to avoid their eventual negative impact on the environment.

The Community's legislative programme is changing: the earlier approach, based on the different kinds of environment and forms of pollution, is giving way to an integrated approach, which is based on prevention and directed towards human activities and behaviour, and takes into account the environment as a whole.

This change will help Europe maintain its leadership in safeguarding a global environment, one which recognizes no human frontiers. Following the United Nations Conference on Environment and Development (UNCED), held in Rio de Janeiro in 1992, we took a number of initiatives aimed at giving concrete shape to the undertakings accepted at the international level.

From stick to carrot

Finally, it is time to diversify our policies, abandoning the purely regulatory approach which has long characterized Community environmental policy. The costs which users of scarce resources must bear at present are much too small to encourage them to conserve these resources. Paradoxically, it is labour which is hit by taxation in Europe, and this at a time of high unemployment, while we squander scarce resources, which are insufficiently taxed. The time has come to restore a balance, in order to encourage a change in behaviour.

We must therefore consider other types of instruments: market-based instruments which promote the internalization of environmental costs, such as the projected CO_2 tax; institutional instruments which help in decision-making, such as the new European Environment Agency, which should provide precise, accurate information, and financial instruments, such as LIFE, in order to stimulate action in the environmental field.

These instruments should be of benefit to our economies and our societies. The new environmental approach takes us away from the use of the legislative 'stick' and towards the more attractive 'carrot', towards measures which stimulate. May we all become enthusiastic consumers of such ecological carrots! I would like Europe to favour this approach, in order to reach its chief environmental goals.

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FEBRUARY
1994
The text of this issue was completed on 11 January 1994.

DECISIONS

Helping industrial and rural areas

Over 57 million Europeans — the equivalent of the population of Italy — will benefit, directly or indirectly, from the funds which the European Union is making available to industrial areas in decline between 1994 and 1999. An indicative list of these areas was adopted by the Commission on 21 December 1993. They will receive a total of ECU 15.3 billion (at 1992 prices) from the EU budget. During the same period endangered rural areas will receive nearly ECU 6.3 billion in all. Some 28.3 million people live in these areas, a list of which was adopted by the Commission in principle last December. The industrial and rural areas in question are to be found scattered through nine EU countries — the Twelve less Greece, Ireland and Portugal. These nine countries will also receive ECU 15.8 billion to help with preventing unemployment and returning the unemployed to active life. To these sums must be added the ECU 6.1 billion to be spent on helping agriculture and fisheries adapt to present economic and environmental conditions. If the ECU 1.5 billion designed to stimulate innovation is included, the total amount of aid which the Commission allocated on 21 December for regional or social goals comes to ECU 45.1 billion. The allocation by countries and definitive lists of the beneficiary areas were expected to take place at the end of January. The Commission had already allocated the ECU 96.3 billion earmarked for the most disadvantaged regions (see Nos 8 and 10-1993).

EMU: second stage since 1 January

The second stage of economic and monetary union (EMU), which is provided for by the Maastricht Treaty, began on 1 January. The Council of the European Union adopted on 13 December the remaining 'European laws' needed for launching the second stage, which seeks to bring about the conditions necessary for the move to the third stage, a single currency. In practice it involves: (1) reinforcing the coordination of the monetary policies of the Twelve in order to ensure price stability; (2) preparing the projected European System of Central Banks and a common monetary policy; and (3) supervising the development of the ecu, which should become the European currency. The new European Monetary Institute (EMI) plays a key role during the second stage. The European Council decided on 29 October 1993 that its headquarters would be in Frankfurt (Germany) and that its president would be the Belgian Alexandre Lamfalussy. But as it was not possible to get the headquarters ready in just eight weeks, it will be some months before the EMI becomes fully operational.

AN ECONOMIC AREA FOR 18 COUNTRIES

Since 1 January people, goods, services and capital can move freely within the 17-nation European Economic Area (EEA): the 12 members of the European Union and the five members of the European Free Trade Association (EFTA) — Austria, Finland, Iceland, Norway and Sweden. These 17 countries ratified the EEA agreement and the Council of the European Union adopted on 13 December the decisions regarding the definitive conclusion of this agreement. A sixth EFTA country, Liechtenstein, will be able to join them once it has adjusted its relations with Switzerland, to which it is linked through a customs union, but which refused last December to take part in the EEA, following a national referendum. The Swiss 'no' has made it necessary to modify the EEA agreement which was initialled in May 1992, and expected to come into force in January 1993. The EEA implies the adoption by the six EFTA countries of hundreds of 'European laws' and the European competition policy. It also provides for simpler checks at the frontiers between these countries and the EU.

Ministers adopt Community trade mark

Within two or three years individuals and businesses in the European Union that want to protect their trade marks in a uniform manner throughout the EU, will be able to do so through the 'Community trade mark'. It will be available from the new Office for Harmonization in the Internal Market, thanks to a regulation ('European law') adopted definitively by EU ministers on 20 December. The Community trade mark will be valid for 10 years, with the possibility of an extension. It will not replace nationally registered trade marks: interested parties will be able to choose between the two systems. The Harmonization Office, which will be established in the Spanish city of Alicante, will have the prime role in awarding the Community trade mark, although the interested parties will have the right to challenge its decisions before a special tribunal and, in the last resort, before the European Court of Justice.

Agreement on European research

European Union ministers reached agreement on the fourth Community framework programme for research on 22 December. The programme will bring together all the scientific and technological projects supported financially by the EU over the period 1994 to 1998. During the European Council of 10 and 11 December, the EU's Heads of State or Government had set at ECU 12 billion (ECU 1 = UKL 0.76 or IRL 0.79) the total amount to be devoted for this purpose from the EU budget. Ministers earmarked the lion's share — 28.2% — for the information and communication technologies, followed by 18.6% for energy research. Next come the industrial technologies, with 16%, and the environment, with 9%. The programme also covers research in biotechnology, agriculture and transport. The costs of most projects in which companies are interested will be shared, in a cooperation framework with universities and research centres in the various EU countries. The framework programme must come before the European Parliament before it can be definitively adopted.

☐ BRIEFLY

The **new financial guidance instrument for fisheries** can help with adaptation and modernization as from 1 January. EU ministers adopted a regulation setting out the terms on which such help can be granted on 20 December.

In the framework of Eurotecnet, the European Commission selected on 20 December 90 new projects designed to **stimulate and spread innovation in vocational training**. The network now covers a total of 284 projects, bringing together training bodies, research centres, companies and trade unions from various European Union countries.

A regulation adopted by the European Commission on 15 December seeks to establish **a single form for the entire European Economic Area** (EEA), for companies seeking a derogation from the competition rules or a certificate to the effect that they have not violated these rules. The regulation came into effect on 1 January, the same day as the EEA (see box opposite).

On 21 December the European Commission granted fresh funds for the **redeployment of customs and forwarding agents**, victims of the disappearance of frontiers between the Member States of the European Union. This aid, for a total amount of ECU 21 million, is for the Greek and Italian programmes as well as for projects in all the other Member States, with the exception of Luxembourg.

EU ministers reached agreement on 13 December on **how VAT is to be levied on second-hand goods and works of art**. A directive ('European law') replacing the national systems currently in force is now awaited.

The European Commission adopted on 14 December the new conditions to be met by the **computerized reservation systems (CRSs)** used in air transport, if they are to avoid the ban on intercompany agreements. These conditions, which have been reinforced in relation to the previous regulation, are set out in a regulation in force since 1 January and until 30 June 1998. They seek to guarantee equal opportunities for all airlines operating within the 12-nation Union.

EU ministers adopted on 16 December a directive setting out the basic safety and environmental protection requirements which **pleasure boats** must meet if they are to be marketed throughout the European Union. This

THE INSTITUTIONS OF THE EUROPEAN COMMUNITY (II)[1]

The Council of the European Union

The Council comprises ministers from each Member State. Meetings are attended by different ministers according to the agenda: for instance, Agriculture Ministers discuss farm prices, while employment matters are dealt with by Labour and Economic Affairs Ministers. Foreign Ministers are responsible for the Community's external relations and other general matters affecting the Community. The seat of the Council is in Brussels, though certain meetings take place in Luxembourg. Each Member State acts as President of the Council for six months in rotation. The Council is assisted by the Permanent Representatives Committee or Coreper, which organizes numerous preparatory meetings of officials from the Member States. The General Secretariat of the Council employs 2 100 staff.

The Council has a dual role. In the first place it adopts the main decisions on Community policies on the basis of proposals put forward by the Commission. In certain cases the Treaties require a unanimous decision, but in others, particularly with regard to the single market and economic and monetary union, the Treaty of Rome, and more recently the Single European Act and the Treaty on European Union, provide for a qualified majority, i.e. 54 out of a total of 76 votes. France, Germany, Italy and the United Kingdom have 10 votes each, Spain has 8 votes, Belgium, Greece, the Netherlands and Portugal have 5 each, Denmark and Ireland 3 each and Luxembourg 2. Unanimity is still required, however, where the Council wishes to deviate from the Commission's proposals.

In the second place the Council is responsible for the intergovernmental cooperation introduced by the Treaty on European Union. This relates to the common foreign and security policy, justice and home affairs where most decisions require unanimity.

The European Commission

The European Commission has 17 Members: two each from France, Germany, Italy, Spain and the United Kingdom and one from each of the other Community countries. From 1995, the Commission's term of office will be raised from four to five years, bringing it into line with the European Parliament. Parliament will be consulted before the Member States appoint the President of the Commission and the full Commission will have to be approved by Parliament before being appointed by mutual agreement by the governments of the Member States.

In carrying out their duties, Members of the Commission are obliged to be completely independent of their national governments and act only in the interests of the Community; only Parliament has the right to pass a motion of censure. Each Member of the Commission has special responsibility for one or more policy areas, but decisions are taken on the basis of collective responsibility.

The Commission is first and foremost the guardian of the Treaties. It is an impartial body which sees to it that Treaty provisions and Community decisions are correctly applied. It can initiate infringement proceedings against any Member State and may, if necessary, refer matters to the Court of Justice. It can also impose fines on individuals or companies, notably when they act in breach of the Community's competition rules.

The Commission is also the catalyst of the Community. It has the sole right of initiative in the field of Community legislation, and it can exert its influence at every stage of the process preceding the adoption of a new 'European law'. In the area of intergovernmental cooperation, the Commission has the same rights as the individual Member States with regard to the submission of proposals.

Finally, the Commission is the Community's executive body. This involves issuing rules for the implementation of certain Treaty Articles and administering budget appropriations earmarked for Community operations. The bulk of these fall within one or other of the major Funds: the European Agricultural Guidance and Guarantee Fund, the European Social Fund, the European Regional Development Fund and the Cohesion Fund. In carrying out its executive duties, the Commission is often required to seek the opinion of committees of officials from the Member States.

[1] The first part of this article was published in issue No 1-1994.

In 1992 the Commission sent 651 proposals and 272 communications, memoranda and reports to the Council. These documents are the product of intensive consultation with political, administrative, economic and social circles.
The Commission has an administrative staff based mainly in Brussels (where it has its headquarters) and, to a lesser extent, Luxembourg. It comprises approximately 17 000 officials divided between some 30 Directorates-General and similar departments. The operating expenditure of the Commission and the other institutions accounts for no more than 4.7% of the total Community budget.

The Court of Justice and the Court of First Instance

The Court of Justice comprises 13 Judges assisted by six Advocates-General. A Court of First Instance comprising 12 Judges was set up in 1989. The Members of these Courts, which sit in Luxembourg, are appointed for six years by agreement between the governments of the Member States. Their independence is guaranteed. The Court's role is to ensure that the European Treaties are interpreted and implemented in accordance with Community law. The Court passes judgment, at the request of a Community institution, a Member State or an individual directly concerned, on any legal instrument enacted by European or national institutions which is alleged to be incompatible with Community law. The Court also passes judgment, at the request of a national court, on the interpretation or validity of points of Community law. If a legal action produces a disputed point of this kind, a national court may seek a ruling from the European Court; it must do so if there is no higher court of appeal in the Member State concerned, in which case the judgment of the Court is binding. The Court of First Instance deals with most of the actions brought by individuals; an appeal may be brought in the Court of Justice.
Between 1952 and 1992, more than 5 400 actions were brought before the Court (not including complaints lodged by European Community officials under their Staff Regulations). The Court of Justice helps to create a body of Community law which applies to all in the same manner: Community institutions, Member States and individual citizens are obliged to comply with the Court's judgments; judgments of the Court overrule those of national courts; furthermore, the Court is now empowered to fine a Member State which does not comply with its judgments.

The Court of Auditors

All the Community's financial activities are monitored by the Court of Auditors, which consists of 12 Members appointed by a unanimous decision of the Council after consultion of Parliament. The Court of Auditors has extensive powers to check the reliability of the accounts, ensuring that all Community revenue has been collected and expenditure incurred in a lawful and regular manner and that financial management is sound. It has its seat in Luxembourg and reports to the other institutions, to which it may address opinions and observations.

The Economic and Social Committee and the ECSC Consultative Committee

The Economic and Social Committee comprises 189 members who represent employers, employees and numerous other groups such as farmers and consumers. It sits in Brussels and must be consulted before the adoption of a significant number of decisions; it may also deliver opinions on its own initiative. It delivered 168 opinions in 1992. Matters relating to coal and steel are referred to another organ, the ECSC Consultative Committee, which is made up of 96 representatives of producers, workers, consumers and traders.

The Committee of the Regions

Newly established by the Treaty on European Union, this Committee sits in Brussels and also comprises 189 members, representing local and regional authorities. It must be consulted before the adoption of decisions affecting regional interests and it may also deliver opinions on its own initiative.

The European Investment Bank

Based in Luxembourg, the European Investment Bank raises funds on the capital markets to finance investments which contribute to the development of the Community; it also grants loans to a number of Third World countries and to the countries of Central and Eastern Europe. In 1992 the EIB made loans totalling ECU 17 billion from its own resources.

The European Monetary Institute and the European Central Bank

In 1997 if possible, and otherwise no later than 1999, a European System of Central Banks and a European Central Bank responsible for issuing and administering a single currency, the ecu, will be set up under the Treaty on European Union in the context of economic and monetary union. A European Monetary Institute is preparing the ground from 1994.

Further reading:
Noël, Emile 'Working together — the institutions of the European Community' published by the European Commission as part of the European documentation series (new edition now being printed).

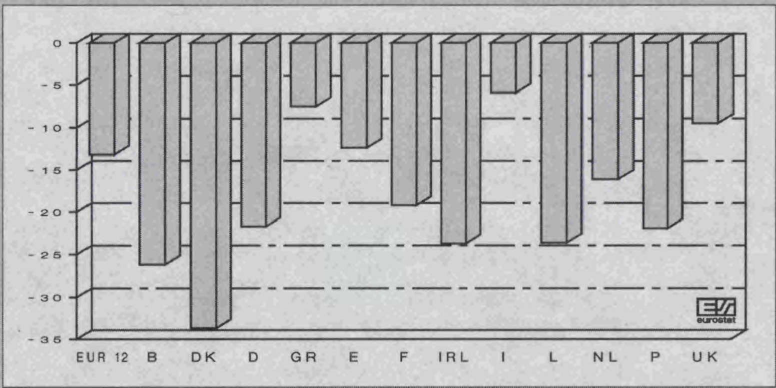
eurostat

Key figures

Statistical Office of the European Communities, L-2920 Luxembourg, Tel. 4301-34567

Agriculture in the European Union (EU)

Change in the number of agricultural holdings, 1980-90 (1980 = 100)



Agricultural structures

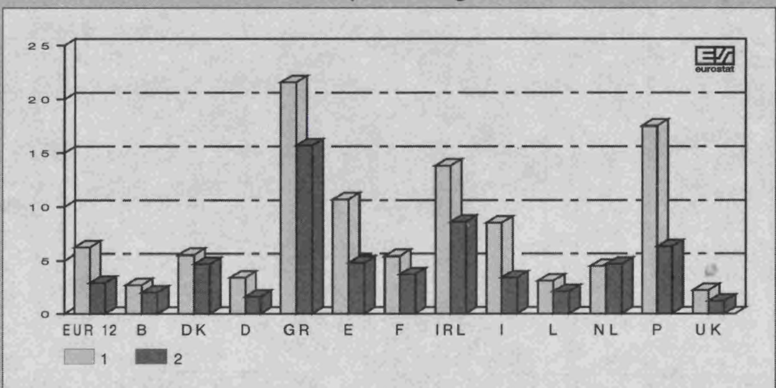
In 1990, there were around 8.2 million agricultural holdings in the European Union –13.2% less than in 1980. This reduction was in all the Member States but mainly in Denmark (–33.7%) and Belgium (–26.2%).

It was accompanied by an increase in the average size of holdings, in terms of utilized agricultural area (UAA), with the largest average size in the United Kingdom (67.9 ha) and the smallest in Greece (4 ha).

Structure of agricultural holdings (1990)

	EUR 12	B	DK	D	GR	E	F	IRL	I	L	NL	P	UK
Number of holdings (x 1 000)	8 168	85	81	665	923	1 593	1 014	171	2 664	4	125	599	243
Average UAA (in ha)	14.0	15.8	34.2	17.7	4.0	15.4	28.2	26.0	5.6	32.1	16.1	6.7	67.9

Share of agriculture in total gross value-added at market prices (1990) and employment (1991) as a percentage



1 = Gross value-added; 2 = Employment

Agriculture in the economy of the European Union

In 1991, 8.2 million persons were working in agriculture in the EU, or 6.2% of the active civil population. In Greece, agriculture employed over a fifth of the active population – the highest rate in the Union. The lowest rate was found in the United Kingdom with 2.2%.

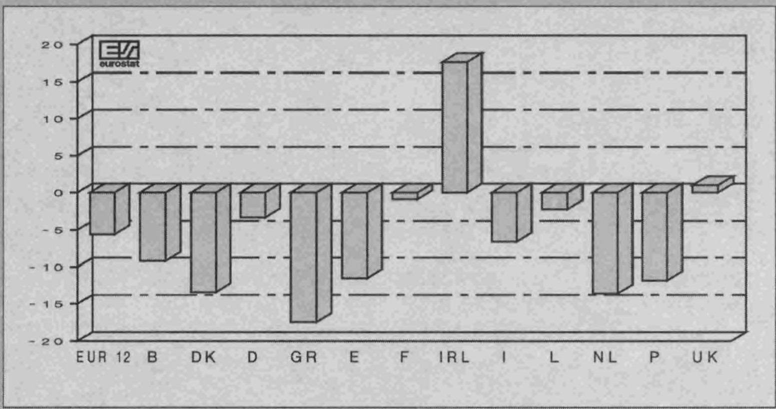
In 1990, agriculture accounted for 2.9% of the gross value-added produced by the economy of the Union. In Greece the contribution was highest at 15.7% while it was lowest in the United Kingdom and Germany with 1.2 and 1.6% respectively.

Agriculture in the economy (%)

	EUR 12	B	DK	D	GR	E	F	IRL	I	L	NL	P	UK
Employment (1991)	6.2	2.7	5.5	3.4	21.6	10.7	5.4	13.8	8.5	3.1	4.5	17.5	2.2
Gross value-added (1990)	2.9	2.0	4.7	1.6	15.7	4.8	3.7	8.6	3.4	2.1	4.7	6.3	1.2

The agricultural income

Annual variation in net value-added of agriculture (per annual work unit) as a percentage



Agricultural income, measured in terms of the net value-added per annual work unit, fell by around 5.6% in 1992 compared with 1991 in the European Union. This reduction followed an increase of 2.3% in 1991. The drop in 1992 was due to falling prices for agricultural products, mainly crop production.

The reduction in agricultural income was the highest in Greece at –17.5%, followed by Denmark (–13.4%).

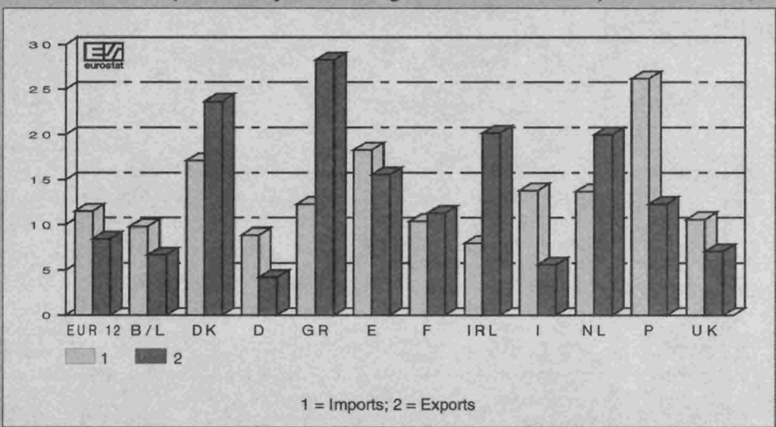
Ireland and the United Kingdom were the only Member States where agricultural income increased (+17.6% and +1.0% respectively).

Change in agricultural income in 1992 compared with 1991 (%)

	EUR 12	B	DK	D	GR	E	F	IRL	I	L	NL	P	UK
%	– 5.6	– 9.2	– 13.4	– 3.3	– 17.5	– 11.5	– 0.9	17.6	– 6.6	– 2.2	– 13.6	– 11.8	1.0

Trade in agricultural produce

Share of agriculture in foreign trade, 1991, as a percentage (Germany including the former GDR)



Ireland imports the lowest percentage of agricultural produce of all the Member States (8% of its total imports).

Agricultural exports account for 28.3% of total exports by Greece – the highest rate in the European Union. Despite this, it shows a deficit on trade in agricultural produce.

Germany had the highest trade deficit in the Union (–6.5 billion ecus).

Three countries have a positive trade balance (Denmark, Ireland and France).

	EUR 12	B/L	DK	D	GR	E	F	IRL	I	NL	P	UK
Imports	11.5	9.8	17.1	8.9	12.3	18.3	10.4	8.0	13.8	13.7	26.2	10.6
Exports	8.5	6.7	23.7	4.2	28.3	15.6	11.3	20.2	5.6	20.0	12.3	7.1
Balance of trade in agricultural produce and foodstuffs (ECU billion)	– 20.8	– 1.4	1.1	– 6.5	– 0.1	– 2.7	0.2	0.6	– 5.3	– 1.2	– 1.1	– 4.2

'law' must come before the European Parliament before it can be adopted definitively.

INITIATIVES

● Fighting unemployment through training

The Leonardo programme (1995-99) which the European Commission sent the Twelve on 21 December seeks to stimulate bodies within the European Union to work together in order to improve vocational training throughout the EU, thus making the fight against unemployment more effective. The Commission proposed on 4 January another programme, Socrates, covering the same period and aimed at promoting the European dimension in education, from primary schools to universities. These two programmes would take over from Community activities set to end this December. Leonardo would be the successor to the exchange programme Comett — links between universities and business, PETRA — youth training, FORCE — continuous training and Eurotecnet — new training technologies. Socrates would take over from Erasmus — student and teacher exchanges, and Lingua — language teaching, even while adding to them activities aimed at promoting cooperation between primary and secondary schools in the EU. The Commission is seeking more than ECU 1 billion for Socrates and over ECU 800 million for Leonardo. These sums represent a sharp increase over the sums devoted to the existing programmes.

SINGLE MARKET: UNFINISHED BUSINESS...

As of 10 December more than 95% of the 'European laws' needed for the completion of the single market had been adopted, according to a report which the European Commission presented on 15 December. Of the 282 measures put forward, 264 had already been accepted; but nearly a year after the 1 January 1993 deadline, 18 still awaited adoption. Of the 219 'laws' requiring transposition into the national legislations of the 12 EU countries, 115 had been transposed in all 12 of them. In all, nearly 87% of the national transposition measures had been taken, with a record 94% in Denmark and a minimum of 82.5% in Ireland. Delays in transposing EU legislation into national law appeared a matter of concern in such sectors as company law, the protection of brand names and software, public procurement, the mutual recognition of higher education diplomas and insurance.

... AND A PROGRAMME TO DO MORE

In order to enable Europeans to make the most of the single market, the European Commission presented on 15 December a strategic programme, the broad outlines of which EU ministers adopted the next day. This programme, entitled 'Making the most of the internal market', is a guide to the measures to be adopted next. Its twin objectives are: (1) to complete the legal framework for the single market and (2) to manage the frontier-free area. It completes the White Paper on growth, competitiveness and employment (see No 1-1994) and, like it, includes numerous actions to be undertaken by governments. Key aims are to keep Europeans better informed at all levels, improve cooperation between the Twelve and the Commission and take fresh measures in favour of SMEs.

● Leads for a social policy

The European Commission will try to involve the Twelve in the adoption of social measures. In any case, it will always include British trade unions and employers' organizations in its consultations with management and labour on the Continent. The Commission will try to ensure that the agreements at the European level between these bodies are adopted as concluded in the form of 'laws' by the Council of the European Union. In a communication which it adopted on 14 December the Commission has thus indicated the use it plans to make of the 11-nation agreement on social policy, annexed to the Treaty of Maastricht and which the United Kingdom alone turned down.

○ BRIEFLY

The European Commission decided on 14 December to ask for a fresh study to be carried out early this year on **bank transfers among the 12 EU countries**. If it should reveal, as did the earlier study, carried out at the beginning of 1993, an absence of information, costs being debited to both the payer and payee and excessive delays in carrying out the transfers, the European Commission will submit a draft 'European law' to the Twelve during the second half of this year. The aim is to make such transfers cheaper and more reliable.

An employers' organization, FENI, and a trade union, Eurofiet, both in the cleaning industry at the European level, adopted on 17 December a **recommendation regarding the implementation of the European directive on working hours**. The agreement covers the implementation of the derogation which the directive provides for this sector (see No 1-1994) and the compensation to be granted workers. This is the first European sectoral agreement in this field.

Basing itself on the 1991 European directive, which allows **railway infrastructure to be separated from rail services**, the European Commission proposed to the Twelve on 17 December two new 'laws', one laying down the criteria to be used in authorizing the operations of railway companies, and the other the conditions under which the infrastructure can be made available to users.

Among the **6 400 British companies engaged in exports**, 48% take the view that they have not benefited from the single market in any way. Besides, only 19% noticed that delivery periods had shortened. These are among the findings of a study carried out by a firm of consultants, KPMG, and published on 4 January. Many of those polled claimed that the paperwork required of them has cancelled out the benefits of the single market.

In a recommendation which it adopted on 21 December, the European Commission has asked the Twelve to eliminate the discriminatory practices which result in some Europeans being taxed more, simply because they work outside their country of residence. The problem interests some 200 000 to 300 000 people, **cross-border workers** for the most part.

As of 1 November 1993 the **differences in the prices quoted in the 12 EU countries for the same model of car** appeared to be smaller than on 1 May of the same year, if monetary fluctuations are disregarded. This was one of the main findings of a comparative study carried out by the European Commission and published on 22 December. Price differences turned out to be greater in the case of small and 'mini' cars.

Of the **700 Danish companies in the export business**, nearly half face technical obstacles when they try to sell in other EU countries. This is especially true of the food and pharmaceutical sectors. This problem effects nearly 40% of firms exporting to France, 32% of those selling in Germany and 21% of firms with clients in Italy. These are among the findings of a study carried out by the Danish Technological Institute and published on 14 December.

To encourage the development of **satellite-based telecommunications services**, the European Commission proposed to the Twelve on 10 January a directive which would make it possible to operate throughout the 12-nation European Union with a single authorization. The system would be based on the principle of mutual recognition of authorizations. This form of telecommunications is of interest to car manufacturers as well as oil companies and hotel chains.

SEEN FROM ABROAD

► Bill Clinton favours the European Union

'The new security must be found in Europe's integration — an integration of security forces, of market economies, of national democracies. My Administration supports European Union, and Europe's development of stronger institutions of common purpose and common action. The fall of the Soviet Empire and Western Europe's integration are the two greatest advances for peace in the last half of the 20th century.' The American President, Bill Clinton, in a speech given in Brussels before 250 young Europeans on 9 January.

SMEs

◆ Cheaper loans for SMEs

Small and medium-sized enterprises (SMEs) in the European Union will be able to take advantage, under certain conditions, of cheaper loans provided by banking and credit establishments for financing job-creating investments. These loans will be financed thanks to the increased possibilities of the European Investment Bank (EIB), through the temporary loan facility — the so-called 'Edinburgh facility' — agreed to by the European Council in December 1992. Increased from ECU 5 to ECU 8 billion six months later, at the Copenhagen European Council, the temporary loan facility allows the EIB to extend its activities to several fields: European infrastructure networks, transport equipment, energy production and urban renewal. Of the increase of ECU 3 billion agreed on in Copenhagen, ECU 1 billion has been set aside for SMEs, in the form of global EIB loans, at subsidized rates of interest. The Council of the European Union decided on 22 December, subject to approval by the European Parliament, that the EU budget will pay, during a maximum of five years, up to 2% of the interest on loans which will have been granted to SMEs by a network of financial intermediaries with which the EIB will be working. The only condition laid down for SMEs wanting to take advantage of these more favourable terms for loans: demonstrate that the investments they envisage will create permanent employment.

◆ Europartenariat: after Glasgow, Gdansk

The ninth edition of Europartenariat took place in Glasgow, Scotland, on 13 and 14 December. As many as 1 259 companies, from 55 countries, including 626 from the European Union, took part. Some 5 000 appointments were arranged with the 334 Scottish firms that had been selected, and numerous contracts and cooperation agreements have already been signed between participants.

In 1994 Europartenariat will meet outside the European Union for the very first time. Organized in Gdansk, on 9 and 10 June, Europartenariat Poland will enable 400 Polish companies to meet their opposite numbers from the European Union, other West European countries, and countries from the Mediterranean basin and Central and Eastern Europe. These companies will thus be in a position to establish profitable cooperation relationships. A catalogue, available in February, will give the characteristics and cooperation offers of each of the 400 Polish companies. Copies will be sent to the national Europartenariat advisers, correspondents of networks such as the Euro-Info Centres, the Business Cooperation Network (BC-Net), the Business Cooperation Centre, enterprise and innovation centres, chambers of commerce and industry and regional development agencies.

For further information, contact M. F. Delagrange, European Commission — DG XXIII — Rue de la Loi 200 (AN80), B-1049 Brussels. Tel. (32 2) 295 55 73. Fax (32 2) 295 17 40.

◆ MED-Partenariat: rendezvous in Istanbul

Adopted in 1992, the Community programme, MED-invest, seeks to promote investments and trade with third countries in the Mediterranean basin, such as Israel, Turkey and Morocco. The first MED-Partenariat meeting will be held in Istanbul this year, on 6 and 7 April. It will enable Turkish and European SMEs to cooperate with each other. Implemented according to the methods of the Europartenariat and Interprise programmes, 'MED-Partenariat Turkey' will be in four stages: (1) the selection of some 300 Turkish SMEs; (2) widespread distribution of a catalogue (in French, English and German) describing the Turkish SMEs that have been selected and outlining their offers of cooperation; (3) extensive promotion of the Istanbul meeting by a network of business consultants; and (4) organization of two days of meetings between Turkish and European entrepreneurs, on the basis of prearranged appointments and with interpreters in attendance, on 6 and 7 April in Istanbul (International World Trade Centre). For detailed information contact Mr A. Haspels or Mrs S. Isiklar at the European Commission — DG XXIII — Rue de la Loi 200 (AN80 4/15), B-1049 Brussels. Tel. (32 2) 295 14 04 or 296 61 55. Fax (32 2) 295 17 40.

◆ Euro-Info Centres: information targeted on the craft industries and very small firms

The network of Euro-Info Centres (EICs), which consists of 210 information and advisory centres for companies, located throughout the 12-nation European Union, has set up a group of EICs specializing in the supply of information to firms in craft industries and very small firms. A survey carried out by the Montpellier (France) EIC has made it possible to identify the most pressing needs of this sector. They are: effective marketing channels, access to better training in management and law and systematic access to financing, technology and public contracts. To meet these needs, the specialist EICs will encourage access to Community programmes of direct interest to this sector, such as Interprise, Leader, PETRA and Lingua. They will encourage the creation of enterprise clubs at regional and local levels and the development of specific information tools — information guides, databases — in order to highlight the experiences of SMEs as regards cooperation and access to public procurement. In addition, there now exists a communications network for craft industries and very small firms, which allows an automatic and focused exchange of information on national and Community programmes in this field. The network uses the electronic communications links between the EICs in the field and the European Commission (DG XXIII) in Brussels. Besides, the European Commission is currently preparing, with the national professional organizations, the second European conference on craft industries, to be held in Berlin on 26 and 27 September.

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