



Europe at the service of its citizens

by Jacques Santer, President of the European Commission

Over the past five years, Europe has lived through momentous events: Germany has unified, Communism has collapsed, the European Community has become the European Union. However, to quote Vaclav Havel, if everything has become possible, nothing is certain any more.

As these events unfolded, sometimes perverse nationalisms reawakened in many parts of Europe. They have already led to bloody conflicts like the one in the former Yugoslavia. In the face of this tragedy, the European Union must, more than ever, remain a beacon of peace and prosperity for the continent.

Our first objective must be to consolidate and develop what we have built over the past 50 years. It is an almost miraculous achievement that war between our peoples is no longer imaginable. To dissipate this heritage would be an act of self-destruction.

However, our Union cannot remain a haven of peace in a sea of distress. We are dutybound to share our values and our achievements with all Europeans. This is why it is important, starting right now, to prepare the future enlargements of the Union and to endow ourselves with an effective common foreign and security policy.

The European Union is itself emerging from a difficult period. I am aware of the scepticism felt by many of our fellow citizens faced with a Europe they do not always recognize as being their Europe.

Clear answers. The Union's future cannot be the exclusive concern of insiders. Europe's citizens demand to be heard; they demand to take part in something that has become a central element in their lives — and they are right. If we cannot meet these demands, our whole endeavour will fail.

People want clear answers to their questions. What is the European Union doing to make our economy strong and help the jobless find work? What is the Union doing to promote a more caring society and improve the quality of life? What is the Union doing to make Europe's voice heard in the world? What is the Union doing to ensure that its institutions are close to the people, democratic, efficient and well managed? The answers to these questions are at the heart of the work programme of the new European Commission.

The new Commission will be dedicated and open. It will be dedicated to working for the common good and to safeguarding strong institutions for the Union. In our task, Europe's citizens and the European Parliament will be our allies. For my part, I commit myself to work in all openness, to be accountable and to give account.

The work of the Commission will be based on three principles.

The first is a clear restatement of our values, of the great goals that underpin European integration. Why are we so keen on this Union? Let us stand our ground on this question. There is no shame in being loud and clear in defence of our values and there is no reason to endure passively the attacks of those who would use yesterday's remedies to solve tomorrow's problems.

We should dare to stand up to those who claim to be European but whose only idea of Europe is to call into question the Community as a model.

The second is the application of the principle of subsidiarity. We must only do at the level of the Union what cannot be achieved at national, regional and local level. It must be clearly understood that the worst enemy of subsidiarity is the lack of trust between Member States. I sometimes feel that, for some, subsidiarity means 'go and check everything the neighbour does, but leave me alone'.

There is another enemy of subsidiarity. It is the bad faith of those who see it merely as a means of fighting integration. One cannot masquerade as the defender of the individual and his rights in order to combat integration. The transfer of power to a common authority is justified when it allows the individual to blossom and develop.

The third principle is good management. Let us be honest. This, to my mind, is the area where the Commission must make special efforts. We have to improve the way the Commission manages budgets and administration. The European Parliament, with the Court of Auditors, constantly presses for improvements. When such criticism is well founded, we shall take corrective action. In this context, we must make the fight against fraud a common priority at all levels, including within the Member States.

I am an optimist by nature. I will secure the means to fulfil this optimism: with the Commission; with the European Parliament; with the citizens of the Union, including all those colleagues who work alongside us in our institutions. On the eve of the third millennium, the Union will be stronger, more united and closer to its citizens.

DECISIONS

■ The professions and competition

European competition rules, particularly the ban on price agreements, apply equally to the professions. The European Commission made this clear when it ordered the Spanish professional association of patent consultants (COAPI) on 1 February to put an end to its practice of setting compulsory minimum fees. The internal regulations of COAPI, a body recognized by the Spanish Government, provide for compulsory minimum fees, and every year COAPI reviews the fees charged in practice. These fees also apply to clients who are not resident in Spain and to Spanish residents wanting to obtain a patent in another European country. In the Commission's view, COAPI's rules limited competition at the European level. This is only the second time that the Commission has taken action against an agreement entered into by members of a given profession; the first case was in June 1993, and related to Italian customs agents. Hence the Commission's decision not to impose a fine. Even so, the European Commissioner responsible for competition, Karel Van Miert, declared that he would put an end to price agreements within the professions 'as and when cases arise', taking into account, however, 'the individual characteristics of each profession'.

■ A single market for motorcycles, but ...

By 23 July 1996, the 15 European Union countries will have to harmonize their methods of measuring the maximum design speed and maximum net engine power of two- or three-wheeled motorcycles, under the provisions of a directive adopted definitively by the EU Council on 23 January. The aim of the directive is to facilitate the sale and registration of these vehicles in the single market. However, as regards the maximum net engine power, no genuinely common solution was possible. In June 1993, the Council had agreed, that maximum engine size be limited to 100 bhp in principle, even while making it possible for Member States to authorize the registration of vehicles of up to 125 bhp for a five-year period. But this provision was rejected by the European Parliament. Council and Parliament were able to reach a compromise last December, which has now been incorporated into the directive as definitively adopted. The directive imposes no power limits at the European level; however, during a two-year period, governments will be able to ban the first and successive registrations of motorcycles with a maximum net engine power of more than 74 kW. Within that same period, the Commission will have to make a further detailed study in order to determine whether there is a link between road accidents and engine power.

■ Commercial rates when recovering aid

On 1 February the European Commission notified the Fifteen that hereafter it would use commercial rates when calculating the interest due on the reimbursement of State aid which had been declared incompatible with European rules. Aid which companies have received from national, regional or local authorities must be reimbursed if it has been given, despite a ban at the European level. Hitherto the Commission has based itself on the national 'legal rate', which in some countries is much lower than the commercial rate used for loans to businesses. Given that the recovery of aid granted illegally is meant to re-establish 'normal' conditions, the Commission has decided to calculate the interest to be applied to cases of this type on the basis of the rates charged by the banks.

■ TV advertising and distribution

European rules, whether as set out in the EC Treaty or in the 'television without frontiers' directive, do not prevent a Member State of the European Union from banning television companies established within its territory from showing advertisements promoting the distribution sector. A ruling to this effect was handed down by the Court of Justice of the European Communities on

9 February. What sparked off the affair was the refusal of two French television channels, TF 1 and M 6, to accept advertisements for the petrol sold through the French supermarket chain, Leclerc. The two channels claimed that a French decree of 1992 excluded the distribution sector from television advertising. But the Leclerc chain took them to court, arguing that the decree in question was contrary to European rules. The French court turned to the Court of Justice for guidance. The latter held that the ban in question did not affect either trade or competition in the single market, and did not exceed the provisions of the 'television without frontiers' directive.

■ Privacy in an age of data processing

A European directive which the Fifteen adopted on 6 February seeks to guarantee the free movement of personal data throughout the European Union, even while protecting individual privacy. This 'law', which now goes to the European Parliament, should come into force three years from the time it has been definitively adopted. The directive will apply to all kinds of data, with the exception, however, of information exchanged between the police and the legal authorities and operations having to do with public safety, defence and State security. For the rest, the directive imposes certain obligations on users, whether individuals, companies or government departments. They must, for example, notify the person concerned in certain cases, give him or her the possibility of opposing the data processing and respect the rules of confidentiality. The directive contains derogations as regards journalistic and literary activities, in order to reconcile freedom of expression and respect for individual privacy.

□ BRIEFLY

Since 1 February, the **exchange rates used to convert the ecu** into national currencies for the **purposes of calculating European agricultural prices** are closer to the exchange rates in ordinary use. The European Union Council decided on 20 December 1994 to do away with the mechanism which raised prices in national currencies at each devaluation or revaluation in relation to the ecu, in order to avoid a fall in prices in the countries which revalued their currencies. The European Parliament reported favourably on the measure in mid-January. The now defunct mechanism cost the EU's agricultural budget ECU 6 billion a year on average (ECU 1 = UK£ 0.79 or IR£ 0.80).

The European Commission shared out on 17 January the **regional and social aid** which **Austria and Finland** will receive between now and the end of 1999, but for the most disadvantaged regions, established under the accession treaties. Thus, out of a total of ECU 1.29 billion for Austria, fragile rural areas, job-creation activities and agricultural structures will each receive 30%, with industrial regions in decline being allocated 7.8%. The total will be allocated somewhat differently in Finland, with job-creation activities and agricultural structures each receiving 31%, with 18.1% going to fragile rural areas and 17% to declining industrial regions.

INITIATIVES

● The ecu to be introduced in two stages?

The move to the single currency, set for 1997 or 1999 under the Maastricht Treaty, is unlikely to take place in one go, from one day to the next; rather, it will come about in two stages. This, at any rate, is the view of an expert group, which has been entrusted by the European Commission with the task of studying the conditions in practice of monetary union. In their interim report, published on 20 January, the experts envisage a first stage, during which the countries taking part in monetary union would definitively fix the exchange rates for their national currencies in relation to the ecu. The ecu itself would then be used by the banks and possibly large companies. During the second stage, the ecu would become the only currency for the general public and small and medium-sized enterprises (SMEs), with ecu-denominated banknotes and coins making an appearance. The experts would like the first stage to be as short as possible. The report stresses the need for the authorities and the private sector to begin at once an ongoing dialogue on all the technical aspects of the introduction of a European currency. The group of experts is now consulting all interested sectors — the banks, SMEs and consumer organizations in particular — before submitting a second report in the middle of the year.

PHARE: European Union support for Central and Eastern Europe

Locked in a totalitarian economic and political system from 1945 to 1989, the countries of Central and Eastern Europe were cut off from the mainstream of Europe's development. Today they are seeking to take their rightful place in Europe's civilization and join forces with the economies and societies of a modern Europe. To do so, they must rise to the challenge of rebuilding their economies and making up the ground lost to Western Europe over the last 50 years.

PHARE is a European Union initiative designed to help finance this transformation process. Through this programme, the Union is giving its partners a helping hand to strengthen their democracies and economies and to achieve greater stability as swiftly as possible. The ultimate goal is a free and united Europe.

PHARE is just one of the Union's schemes to help Central and Eastern Europe. The Union is building up political and trade relations by means of trade and cooperation agreements and Europe association agreements. It is supporting its partners' balance of payments, providing humanitarian aid and channelling capital through the European Investment Bank and the European Bank for Reconstruction and Development.

The European Commission is also coordinating a large number of international aid measures.

A new dimension PHARE broadened in scope in June 1993, when the Copenhagen European Council offered countries that had signed Europe agreements the prospect of joining the Union once they had satisfied a number of economic and political conditions. By helping to fund its partners' preparations for membership of the Union, PHARE has become a cornerstone of this integration process.

The biggest grant-aid programme The Union's Council of Ministers decided, in December 1989, to grant aid to Poland and Hungary in order to support changes started in these countries. The PHARE programme was set up, and began operations the following year.

The extension of PHARE was planned from the outset. To be eligible for the programme, a country has to honour its democratic commitment and move towards a market economy. The number of partner countries has risen from 2 in 1989 to 11 today. These partners are Albania, Bulgaria, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia and Slovenia.

The sums allocated to a given country are calculated on the basis of population, gross domestic product (GDP) and qualitative criteria. Poland, Hungary and Romania receive most. In the first five years of its life, PHARE will have granted its 11 partners a total of ECU 4 283 million. This puts PHARE in the forefront of aid programmes for Central and Eastern Europe.

Shared values and common goals The priorities for PHARE funding reflect the priorities and policies of the partner countries and are tailored to the imperatives of each country's reforms. Within a framework agreed with the Union, the partner countries are free to set their own priorities for PHARE financing. This joint process leads to three-year indicative programmes.

Under the indicative programmes, PHARE and the partner countries together decide how best to achieve the priorities targeted. Financing decisions are taken and financing memorandums signed with the partner countries. This procedure ensures that PHARE reflects each government's policies and slots effectively into government policy.

Implementation is to a very great extent decentralized in the partner countries. Each has a national authorizing officer, usually a minister, who supervises PHARE planning, programming and implementation. Programmes are implemented and run by programme management units (PMUs), which are the driving force behind PHARE in the field. They are involved in preparing, implementing and monitoring PHARE projects, and are increasingly handling invitations to tender for supplies and services.

Priority sectors The reforms under way obviously require fundamental political, economic and social change. It would be impossible here to describe all the dozens of different areas of PHARE activities, but key sectors include:

Restructuring of State-owned enterprises and development of the private sector: This covers the privatization and restructuring of enterprises, the development of small and medium-sized enterprises and the modernization of banking and financial services. This sector alone has accounted for 23.5% of PHARE resources.

Agricultural restructuring and reform: Assistance in this sector centres on the drawing-up of strategies and reform policies, among them restructuring, privatization, establishment of financial plans, development of land-reform and registry systems, establishment of rural banking services, setting-up of rural cooperatives and the provision of financial information about markets.

Administrative and institutional reform: PHARE offers central and local government back-up in the form of advice and the training of officials in their new tasks. PHARE has tried to help governments restructure ministries and introduce new budgetary and financial systems. At local level, PHARE assistance has been aimed at helping the authorities handle their new responsibilities.

Reform of social services and employment: PHARE is helping governments and local authorities draw up

social and employment policies and reform the systems and networks through which such services are provided. This concerns pension systems, contributions, staff training and the introduction of new registration and payment systems. There have also been studies on the labour market and training for the unemployed.

Education and health: In education the priority has been to reform education and training systems so that they provide the qualifications needed in a market economy. PHARE is helping the authorities to restructure education, draw up new programmes and form links between teaching, training and research establishments in the partner countries and the Union.

In the health sector, PHARE's work has centred on developing primary and preventive health care, training staff and introducing new management methods.

Infrastructure: Most PHARE support has been geared to restructuring energy, telecommunications and transport so that they can perform their new role in a market economy. Special attention has been given to using resources as efficiently as possible.

Environment: In this field, PHARE has taken urgent measures, for example, supplying pollution-control equipment, conducting studies and supporting the drafting of standards and legislation. This has been succeeded by a more strategic approach, including the development of sectoral policies and programmes in areas such as waste disposal. PHARE is fostering environmental investment through investment funds or co-financing operations with international financial institutions. PHARE is also heavily involved in nuclear safety.

The PHARE approach PHARE funds various instruments designed to support reform. It is increasing know-how, developing legal and regulatory frameworks and supporting new or reformed institutions. Framework programmes and pilot projects are being set up. PHARE is backing investment by providing studies, grants, guarantees and lines of credit and investing in infrastructure.

Training is a cornerstone of many projects, covering all aspects of running a market economy. There remains a considerable demand for PHARE-financed training.

PHARE has from the very outset funded the approximation of legislation, standards and technical rules. Under the Europe agreements, PHARE funding is helping align legislation, standards and rules on the Union's in such areas as competition, intellectual property, technical standards, customs and workers' rights.

Given that reforms are affecting all levels of society, PHARE is also backing the work of non-governmental organizations, among them trade unions, professional associations, institutes and chambers of commerce. PHARE can directly finance projects blocked by a lack of capital. Projects funded range from credit lines for farmers and small firms to the supply of basic neces-

sities to countries in exceptionally difficult circumstances.

PHARE's JOPP programme helps small and medium-sized enterprises in Central and Eastern Europe to set up joint ventures with similar firms in the European Union. The programme has a series of instruments that can be adapted to each case, ranging from commercial loans to the purchase of shares in joint ventures.

The more advanced partner countries are today facing long-term, root-and-branch transformation of their economies. As restructuring progresses, investment capital will come to account for an increasing proportion of PHARE funding.

By working closely with other donors and the major financial institutions, PHARE generates synergies and numerous benefits for the partner countries. In Hungary, for instance, a PHARE-coordinated group of 13 donors has set up a nationwide network of centres to advise small firms.

PHARE's programmes In the first three years of PHARE's operations, 78% of funding went to national programmes and a further 10% to multi-country programmes (a total of 88%). The rest was spent on humanitarian aid and measures related to the management of programmes.

The national programmes cover the activities financed in a given country on the basis of an annual programme.

Multi-country programmes are set up when the problems encountered by partner countries call for similar — if not identical — solutions. These programmes have fostered a common approach to policy in the partner countries and strengthened cooperation between them.

This year PHARE has received a budget specifically for cross-border cooperation between the partner countries and Member States of the European Union. This budget can be used to finance, for example, infrastructure, pollution control, tourism and trade cooperation.

In the long term The Union has been quick to respond to change in Central and Eastern Europe, and its contribution — tailored to each country's priorities — has been vital.

As these countries move on to medium-term economic restructuring, PHARE will turn from providing know-how and focus increasingly on investment aimed at helping establish the economic and social infrastructure needed to cope with the demands of integration.

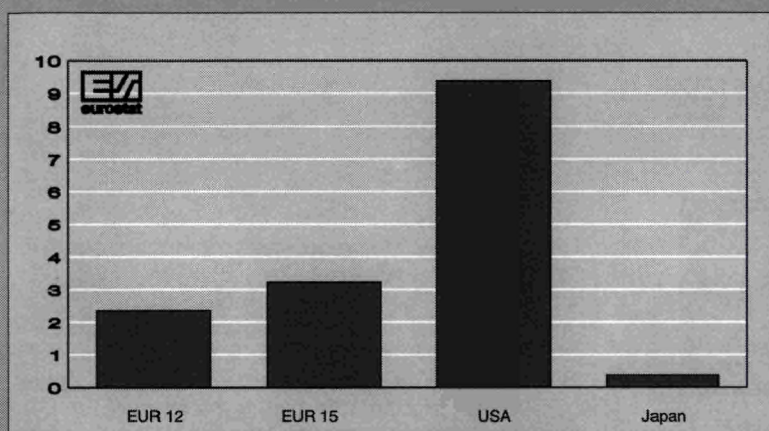
The Union is committed to helping all partner countries seeking closer integration with the Union — or indeed membership. This commitment reflects a shared wish to create an extended family of nations conducive to greater prosperity and security for all.

For further information contact: European Commission, PHARE Information Office, AN88 1/26, rue de la Loi 200, B-1049 Brussels.

The European Union of Fifteen

Area of the EU, the USA and Japan, 1993
(1 000 000 km²)

Area



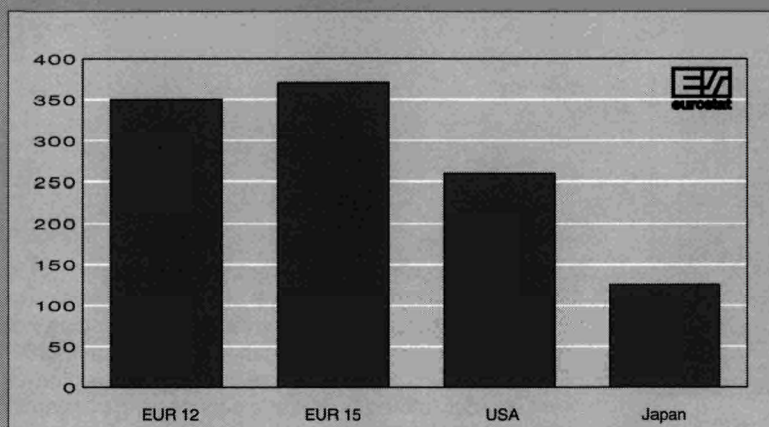
Following the accession of three new States to the European Union, the area has increased by 37%. In the enlarged Union, the biggest country in terms of area continues to be France, followed by Spain. The USA is four times bigger than EUR 12 and still almost three times bigger than the European Union of Fifteen. The territory of Japan is now equivalent to only 11.7% of that of the Union of Fifteen, compared with 16% of EUR 12.

Area of the Member States, 1993 (1 000 km²)

	B	DK	D	GR	E	F	IRL	I	L	NL	P	UK	EUR 12	A	FIN	S	EUR 15
Area	31	43	357	132	505	544	69	301	3	42	92	244	2 363	84	338	450	3 235

Population of the EU, the USA and Japan, 1993
(million inhabitants)

Population

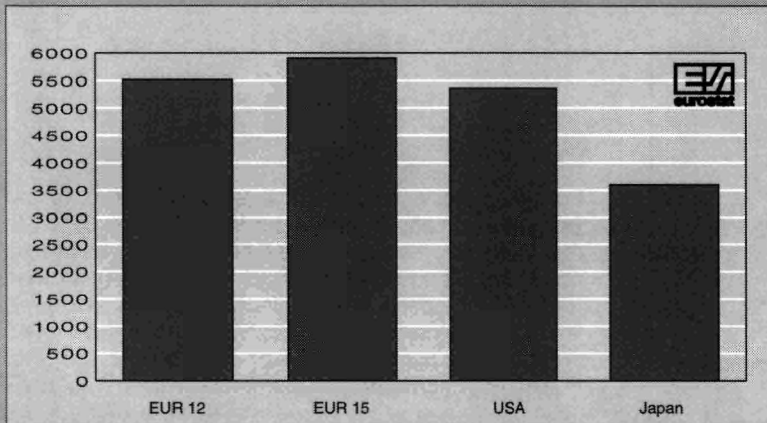


Because of the low population density of the new EU Member States, the number of inhabitants in EUR 15 has risen by only 6.2% compared with EUR 12. In the enlarged Union, the country with the highest population is still Germany, followed by the United Kingdom and Italy. The population of the Union of Fifteen is 43% higher than that of the USA and three times higher than that of Japan.

Population of the Member States, 1993 (1 000 inhabitants)

	B	DK	D	GR	E	F	IRL	I	L	NL	P	UK	EUR 12	A	FIN	S	EUR 15
Population	10 085	5 189	81 180	10 362	39 141	57 327	3 561	58 098	398	15 290	9 877	58 168	348 676	7 991	5 066	8 719	370 452

GDP of the EU, the USA and Japan, 1993
(billion ECU)



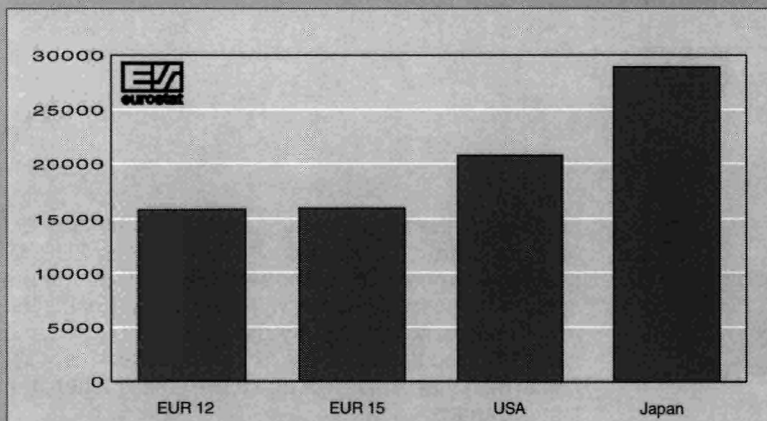
Gross domestic product

The GDP of the Union of Fifteen rose by around 7% compared with that of the Union of Twelve. Germany accounts for almost 28% of the GDP of the enlarged Union. The contributions of the new Member States to the Union's GDP range from 1.2% (Finland) to 2.7% (Sweden). The GDP of the European Union of Fifteen in 1993 was around 10% higher than that of the USA and 64% higher than that of Japan.

GDP of the Member States, 1993 (billion ECU)

	B	DK	D	GR	E	F	IRL	I	L	NL	P	UK	EUR 12	A	FIN	S	EUR 15
GDP	180.0	115.5	1 631.5	76.7	408.4	1 068.6	40.4	847.3	10.7	264.0	72.3	807.8	5 523.2	155.5	71.5	159.2	5 909.3

Per capita GDP of the EU, the USA and Japan, 1993
(ECU per capita)



Per capita GDP

With the enlargement, the average per capita GDP in the Union rose by almost 1%. Austria and Sweden are much higher than the Union average (with indices of 122 and 114%, respectively), while the per capita GDP of Finland is 12% lower than the average. The enlargement scarcely changes the ratio between the per capita GDP of the USA and Japan and that of the EU.

Per capita GDP of the Member States, 1993 (ECU per capita)

	B	DK	D	GR	E	F	IRL	I	L	NL	P	UK	EUR 12	A	FIN	S	EUR 15
Per capita GDP	17 849	22 253	20 097	7 406	10 434	18 640	11 334	14 584	26 859	17 268	7 323	13 887	15 840	19 453	14 110	18 256	15 951

LITTLE CHANGE IN THE WORKING WEEK

The working week remained largely unchanged in the European Union between 1989 and 1994. This is clear from the results of a survey carried out by the European Commission in the 12-nation European Union, less Denmark, and published at the end of January. The length of the working week in industry, as set by collective agreements, fell from 39 to 38 hours. But in the retail trade, it remained unchanged at 39 hours. However, over the same period, industrial plant was being utilized for longer periods of time in most of the countries in question. In 1994 only 3% of industrial workers were employed on a part-time basis, as compared with 6% in 1989. As for shop opening hours, they have lengthened in all the countries surveyed, with the exception of Portugal. Hardly 25% of European retailers envisage longer opening hours in the next two years; more than two thirds of them envisage no changes.

● Increased trade within the single market

Merchandise trade within the single European market rose by 9.4% during the first six months of 1994, as compared with the corresponding period in 1993, according to Eurostat, the European Statistical Office. It pointed to an acceleration in such intra-EU trade during the first half of 1994, with trade rising by 7.6% during the first quarter and by 11.3% during the second quarter. The biggest increases were recorded by Spain and Ireland; only Greece recorded a decline. As in 1993, there was a difference — of around 5% this time — between consignments and deliveries, or purchases, although the two figures should be identical. The discrepancy can be traced to the continuing failure of some companies to notify Intrastat, the statistical body which came into operation on 1 January 1993, of deliveries in particular.

● ECU 1.69 billion lent to SMEs

Of the ECU 17.68 billion which the European Investment Bank (EIB) lent in 1994 in the 15-nation European Union, ECU 1.69 billion went to support projects launched by small and medium-sized enterprises (SMEs). At the same time, ECU 98 million was lent to large companies to help them adapt to the European dimension. The EIB also helped finance major infrastructure projects in transport, telecommunications and energy, particularly in the framework of the Edinburgh facility, decided on in 1992 as a way of stimulating economic recovery. One feature of this facility is the granting of loans to job-creating SMEs at reduced rates of interest, for up to ECU 1 billion. The total amount lent by the EIB last year made it possible to carry out projects worth ECU 45 billion in all, a sum equal to 4.2% of the investments made in the European Union.

● What rules for telecommunications?

A telephone service accessible to everyone, at prices everyone can afford; detailed bills, with the tariff clearly set out; an independent procedure in the event of disputes; reduced rates during off-peak hours for all calls within the European Union — these are the goals which the European Commission proposed to the Fifteen on 1 February in the framework of a directive which it would like to see come into force on 31 December. The Commission also proposed telephone cards which can be used throughout the Union. More generally, in the run-up to the liberalization of telecommunications, envisaged for 1998, the Commission suggested the creation of a fund to finance the ordinary telephone, to which companies not offering this service would contribute. In Part II of its Green Paper on the telecommunications infrastructure, adopted on 25 January, the Commission has also made provision for a directive on the interconnection of national networks. It also envisages European guidelines for the granting of licences.

● Medicines: the European Agency is born

Inaugurated in London on 26 January, the European Agency for the Evaluation of Medicinal Products is now operational. Set up under a 1993 'European law', the Agency is a key feature of the single market in medicines. It has the task of evaluating new pharmaceutical products, in order to make sure they are quite safe. Their safety guaranteed, these products can be put on sale throughout the European Union on the basis of a single authorization and under identical conditions of use. The system as a whole, which consists of several 'European laws', should stimulate innovation and investments by guaranteeing manufacturers access to a larger market, while ensuring that a medicament banned in one EU country is not freely available in another.

○ BRIEFLY

The European Commission wants to **reinforce the fight against fraud**. In its action programme for 1995, adopted on 8 February, the Commission provides for an increase in the strength of its unit which is coordinating the fight against fraud (UCLAF). It also plans to multiply its on-the-spot enquiries, particularly those relating to cigarettes, milk products, textiles, olive oil and beef.

The latest **survey on differences in the retail prices of new cars within the European Union** points to a slight reduction in price disparities between 1 May and 1 November 1994. According to the results of the survey, published on 19 January, small cars are generally cheaper in Spain and large ones in Italy. Average car prices remain the highest in France and Germany.

On 20 January the European Commission decided to launch an enquiry into the **privatization of entities which have been aided by the European Regional Development Fund (ERDF)**. The Commission wants to throw light on all cases arising at the present time, as well as in the last few years. For the future, it intends to set up an information system and provide rules for the recovery of aid in certain cases.

Under the European insurance system in force since 1 July 1994, Member States of the European Union cannot require insurance companies to operate a uniform and mandatory **no-claims bonus scheme** for motorists. The European Commission made this clear on 1 February, even while pointing out that the European system was not opposed to the no-claims bonus scheme, variants of which are in use in all EU countries.

In order to prevent countries — poor ones in general — from importing **recyclable waste** whose value they cannot enhance, the European Commission has proposed to the Fifteen a ban on exports in the event of a refusal on the part of the country of destination. The regulation which it proposed on 8 February would phase out existing EU legislation, which already provides for controls on exports of dangerous waste.

For the European Commission, the priority areas in the **public sector for eliminating job discrimination** based on nationality are commercial services — transport, post and telecommunications, gas, electricity and broadcasting, both radio and television; public health; education; and civil research. The European Commissioner responsible for social affairs, Pádraig Flynn, gave this information in the course of a talk on the modernization of public utilities delivered on 13 February.

SEEN FROM ABROAD

► The European Union has six East European associates

Since 1 February another four countries of Central and Eastern Europe are associated with the European Union. On that date the Europe Agreements with Bulgaria, the Czech Republic, Romania and Slovakia came into force, exactly one year after the implementation of similar agreements with Hungary and Poland. These agreements provide, among other things, for the progressive establishment of free trade with the Union and for changes to the laws of the countries in question, to bring them closer to EU laws. The European Commission must prepare, with the ministers of the countries in question and in time for the European Council of next June, a White Paper on closer ties between these countries and the Union's internal market.

◆ REGIE: a new network for EEIGs

Since 1 July 1989, legal entities and individuals in the European Union have had at their disposal a new legal entity based on European law and aimed at facilitating and encouraging cross-border cooperation: the European Economic Interest Grouping (EEIG). Set up under Council Regulation (EEC) No 2137/85 (OJ L 199, 31.7.1985) this new associative body is characterized by its legal autonomy in relation to its members and its great flexibility. The formalities needed to set up an EEIG are straightforward, and its internal organization depends on the wishes of the participants. The activities undertaken by an EEIG must be in line with the economic activities of its members, and yet be secondary to them. Its goal is to improve, or add to, the results of these activities. EEIGs thus enable their members to develop their own activities, and increase their profits, thanks to a pooling of their activities, resources and services. This is why the Commission intends to encourage the creation of EEIGs, but without financing them directly. To this end, the Commission's Directorate-General XXIII (Enterprise Policy, Distributive Trades, Tourism and Cooperatives) has set up an EEIG network, REGIE, the aim of which is to establish contacts between the Commission, the EEIGs and all interested parties. This initiative will also allow the European Commission to reply more effectively to the numerous demands for information and improve the quality of its information on EEIGs. The Commission envisages holding a conference, at the end of this year or early next year, and publishing a guide which would bring together postal and other information on all the EEIGs, thus making it easier for them to know each other better.

To this end, the Commission has drawn up a questionnaire, which is addressed not only to the EEIGs but also to all those interested in the subject. To obtain a copy, please write to: The European Commission, DG XXIII A.1, Secretariat of Mr Reinhard Schulte-Braucks, rue de la Loi 200, B-1049 Brussels; Fax: (32-2) 295 97 84.

◆ After the success of the Cairo meetings...

Nearly 700 company managers from Egypt, Israel, Jordan and Palestine, together with some 500 of their counterparts from the European Union as well as nu-

merous political leaders, met in Cairo from 6 to 8 December 1994. They came to study concrete economic development programmes in such priority sectors as infrastructure, the building industry, medical and pharmaceutical equipment, plastics, the food industry and tourism. Thanks to this meeting, entitled the 'European Union-Middle East Partenariat', it was possible not only to take advantage of the opportunities for cooperation between the countries of the region but also to get the interested parties to establish direct contacts, in order to have a better idea of their respective needs. The meeting also made it possible to demonstrate the EU's willingness to develop very close forms of association with the countries of the Middle East as a whole. The company managers from Egypt, Israel, Palestine, Jordan and Europe made thousands of bilateral contacts during the three days of the Cairo meeting, which was exactly what the organizers had set out to achieve.

◆ ... company managers will gather in Marrakesh on 15 and 16 May

The aim of Medpartenariat Morocco 1995 is to foster cooperation between Moroccan and European small and medium-sized enterprises (SMEs), with a view to bringing about association agreements in the commercial, technical or financial field. Organized in close liaison with the Federation of European Union Chambers of Commerce in Morocco, Medpartenariat Morocco will take place in the Palace of Congress of Marrakesh on 15 and 16 May 1995. A network of national business consultants is undertaking the distribution of a catalogue containing both the profiles and cooperation projects prepared by some 300 Moroccan companies. These consultants have also taken on the task of looking for partners in the EU countries. During the two-day meeting, selected Moroccan businesses will each have a stand, at which they will be able to receive visiting European company executives, thanks to meetings organized in advance. An important handicrafts fair will be held at the same time, in order to give Moroccan and European craftsmen and small businesses an opportunity to draw up cooperation projects. For further information, please contact: Medpartenariat Maroc 1995, Fédération des chambres de commerce de l'Union européenne au Maroc, M. Alexander D. Moll, rue Prince Moulay Abdallah 69, 20000 Casablanca (Morocco); tel.: (212-247) 57 10; fax: (212-247) 51 72.

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