frontier-free EUROPE

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The euro — a stabilizing factor

by Yves-Thibault de Silguy, Member of the European Commission

There is no going back on the euro. The European Council, meeting in Dublin, provided proof of this through the political determination shown by the Heads of State or Government, and the approval of the preparatory work as a whole, in keeping with the timetable and terms of the mandate given by the European Council in Madrid. In two years the structure of economic and monetary union has been created — two years of exemplary labour, involving all the institutions of the 15-nation European Union.

Two key features

The euro will mean a more stable and united Union, thanks to two essential elements agreed to by the European Council in Dublin: the stability pact and the new exchange-rate mechanism.

The stability pact reflects the trust all Member States have pledged each other in the successful working of economic and monetary union. There is no question of adding to the provisions of the Treaty on European Union. However, in order to ensure the success of economic and monetary union and the euro's credibility, it is necessary to sign a binding contract of budgetary stability. Only such a contract can provide Europe with an economic framework favouring growth and employment.

The stability and growth pact represents in a way the rules of joint ownership of the economic and monetary union. Its effectiveness depends on both a preventive and a dissuasive element. The preventive element is designed to ensure budgetary discipline. Member States within the 'euro zone' will be required to submit stability programmes, the others convergence programmes. As regards the dissuasive element, the Dublin text is very specific (1); it provides for a pragmatic and democratic procedure for the global evaluation of budgetary deficits, in accordance with the Treaty. According to this text, the deficit will be considered excessive if it exceeds 3% of GDP, except in 'exceptional and temporary circumstances'. These can take the form of (1) unforeseen events which are beyond the control of the State in question and have a major impact on its financial situation, for example a natural disaster, or (2) a serious recession.

Discipline and solidarity

As for the sanctions which apply in the event of excessive deficits, the European Council has sought to make their application as automatic as possible, in keeping with the Treaty. The Council's recommendations to a Member State with an excessive deficit must be followed by the latter within the subsequent calendar year. Should the Member State in question fail to do so, the Council can impose sanctions within a period of 10 months, from the time that the State in question was notified of the figures indicating the existence of an excessive deficit. The sanctions will take the form of an interest-free deposit, lodged with the EU. It will be converted into a fine if no action is taken within two years. The aim of this mechanism is dissuasive. There is no question of trying to impose an extra burden on Member States in difficulty, but rather to encourage them to avoid such situations.

The Heads of State or Government also defined the modalities of the new exchange mechanism between (1) the States within the euro zone and (2) those still on the outside. The aim is to ensure stability and solidarity between all EU countries during the transition to the euro. Based above all on the reinforcement of convergence, the mechanism also provides for active monetary solidarity: the European Monetary Institute will be able to draw up standard agreements in advance, to be concluded between the European Central Bank and the various national central banks at the time of the transition to the euro. When the European Council meets in Amsterdam this June, it will adopt a resolution replacing that adopted by the Council in Brussels in 1978, which set up the European Monetary System in its initial version.

The euro finds itself in the forefront of the European scene today. It is certain to remain there. The preparations at Community level are coming to an end, and the initiative now rests with the Member States. This is what convergence is all about. I have no doubt they will be numerous at the rendezvous in early 1998.

(1) For details, see page 2.

A NEW EXCHANGE-RATE MECHANISM...

The European Council, which met in Dublin on 13 and 14 December, adopted the principles of the new version of the exchange-rate mechanism (ERM). [1] They are based on the proposals drafted by the European Union Council of Ministers and the European Monetary Institute. The new ERM will be based on central rates, defined in relation to the euro, of the EU currencies not taking part in the European currency from the start. It will provide for relatively large fluctuation margins for these currencies in relation to the euro — as is the case at present regarding all the currencies in the European Monetary System, where the margin of fluctation is 15%. The future European Central Bank and the central banks of the 'non-euro' countries participating in the new mechanism, will intervene automatically, in principle, in order to maintain currency parities within the fluctuation limits. But this intervention will be suspended if it hinders price stability.

...AND A STABILITY AND GROWTH PACT

Under the terms of the stability and growth pact which the Fifteen agreed to in Dublin,[1] all EU Member States will be subject to two procedures. The first covers the watch to be kept on budgetary discipline, the second excessive budgetary deficits. But only States participating in the euro might find themselves subject to sanctions. According to the agreement, a Member State with a public deficit exceeding 3% of its gross domestic product (GDP) would be regarded as having an excessive deficit, except in cases of *force majeure* or a severe recession. The Fifteen undertook, in this connection, not to invoke exceptional circumstances if the recession was between 0 and 0.75% of GDP. If it was between 0.75 and 2% of GDP, the Commission would report as to whether or not the situation was of an exceptional character. From 2% onwards the circumstances would automatically be considered exceptional. As for sanctions, they would first take the form of an interest-free deposit, made up of a fixed amount, representing 0.2% of GDP, and a variable amount, which would be related to the extent to which the 3% figure had been exceeded. The total amount could be as much as 0.5% of GDP in a year. If the deficit remained excessive, the deposit would become a fine at the end of two years. In order to formalize this pact the European Council plan to adopt a resolution in Amsterdam in June.

Labour cost statistics to become European

The Fifteen and the European Commission will shortly finalize a system of Community statistics covering the level and structure of employers' labour costs. A regulation adopted by the EU Council of Ministers on 20 December will require the Member States and the Commission to collect data on (1) total staff employed, (2) working time and (3) total labour costs, including vocational training costs and taxes and subsidies directly related to labour costs. The data will be processed on the basis of common definitions and harmonized methodologies. So far substantial differences between the laws and administrative practices of the Member States have made comparisons difficult. Another regulation adopted on 20 December by the Council will improve both the comparability and reliability of European statistics on the structure, activity, competitiveness and results of companies. This regulation provides a common framework for the collection, preparation, transmission and evaluation of these statistics.

The internal market in electricity

By adopting on 20 December a directive setting out common rules for the production, transport and distribution of electricity, the EU Council of Ministers extended the principle of the internal market to this form of energy. The directive aims at ensuring equal access to all the sector's producers and customers. It provides for the gradual introduction of the internal market, in order to take account of differences in the ways in which national electricity systems are organized, even while respecting competition rules. The directive represents a stage on the road to the full liberalization of the electricity sector. Other measures should follow.

Trans-European transport networks

The European Commission granted ECU 280 million (1 ECU = GBP 0.74 or IEP 0.75) in financial assistance to 107 trans-European transport infrastructure projects. This aid, announced on 19 December, is being provided out of the EU's 1996 budget. The Commission plans to spend ECU 352 million this year; this does not include the ECU 100 million intended for cross-border projects in Central and Eastern Europe. Over two thirds of the aid for 1996 will be used to finance studies concerning all the technical phases of the infrastructure projects; it will therefore play a catalytic role. Just over a quarter of the aid consists of direct grants to the projects themselves, while the remainder represents interest rebates. The 14 major projects, accorded priority by the European Council when it met in Essen in December 1994, will receive the lion's share of the aid. As for the modes of transport to be aided, 62% of the funds have been earmarked for rail projects, with European high-speed trains to the fore. It must be pointed out that the Member States are responsible for the construction of the networks.

Employees' social security schemes

The supplementary social security schemes introduced by employers in favour of their employees will have to respect fully the principle of equal treatment for men and women, contained in Article 119 of the EC Treaty. This is because the EU Council of Ministers adopted on 20 December a directive which modifies existing EU legislation: it eliminates derogations from the equality principle, particularly as regards retirement age and survivors' benefits. The new directive is in line with the interpretation given by the European Court of Justice in its ruling in the 'Barber' case of 17 May 1990.

[1] See page 1.

THE EUROPEAN UNION'S COMMON FOREIGN AND SECURITY POLICY (I)

The European Union is increasingly being called upon to be a political player on the international scene. The need for a common foreign policy for its 15 Member States is dictated not only by the close international trade relationships which now exist. The end of the Cold War and the emergence of new conflicts in Europe and neighbouring regions make it vital for the European Union to develop a foreign and security policy identity. The political agenda for Europe adopted by the Madrid European Council in December 1995 identifies the foreign policy challenges which the Union will face in the years ahead: enlargement negotiations with Cyprus and the associated countries of the Mediterranean and Eastern Europe, continuing policy of dialogue, cooperation and partnership with the Union's neighbours, in particular Russia, Ukraine, Turkey and Mediterranean countries, and the establishment of a European-wide security system. Other points on the agenda include transatlantic cooperation, cultivation of the Union's traditional relationship with the African, Caribbean and Pacific States and closer relations with Asia and Latin America.

From political cooperation to a common policy

Cooperation on foreign policy matters and coordination of Member States' national foreign policies were organized on the basis of European political cooperation (EPC) in the early 1970s, giving a political dimension to the European Community's growing economic importance. Europe gradually began to assume its international responsibilities in certain areas through mutual information and cooperation. Member States' diplomatic efforts to speak with one voice began to bear fruit. Contacts between Member States' foreign ministries and embassies steadily increased. Closer political cooperation fostered tolerance and understanding for different viewpoints. The European Community and its Member States took the lead within the CSCE and were instrumental in promoting East-West rapprochement. The Community expanded and consolidated its relations with Asia, Latin America and the Far East.

EPC did not, however, always run smoothly. Member States' national interests often stood in the way of a common approach. Inadequate procedures, the need for unanimity and the lack of a legal framework also prevented the Union from reacting swiftly to international events. Reforms were introduced at various stages to correct this political cooperation deficit. A major step forward was the Single European Act amending the Treaties establishing the then European Community, which came into force in 1987 and, for the first time, incorporated foreign and security policy cooperation.

The Treaty on European Union

The Treaty on European Union (TEU), which was approved in Maastricht in December 1991 and came into force on 1 November 1993, establishes three pillars for the European Union: the three existing European Communities Treaties (ECSC, EC and Euratom Treaties) with new provisions on common foreign and security policy (Title V, Articles J to J.11) and on cooperation on justice and home affairs. Neither justice and home affairs nor common foreign and security policy fall within the European Communities' jurisdiction. Since they are considered to be key areas of national sovereignty they continue to be organized on the basis of intergovernmental cooperation rather than at Community level.

The objectives of CFSP are laid down in Article J.1(2) of the Maastricht Treaty, and are:

— to safeguard the common values, fundamental interests and independence of the Union;

— to strengthen the security of the Union and its Member States in all ways;

— to preserve peace and strengthen international security;

— to promote international cooperation;

— to develop and consolidate democracy and the rule of law, and respect for human rights and fundamental freedoms.

The Member States of the EU commit themselves to supporting the Union's external and security policy 'actively and unreservedly in the spirit of loyalty and mutual solidarity' and to refraining from any action which is contrary to the interests of the European Union or likely to impair its effectiveness as a cohesive force in international relations (Article J.1(4)).

Players and decision-making procedures

The European Council, in which the Heads of State or Government of the Member States and the President of the Commission meet, defines the principles of and general guidelines for CFSP. The Council of Foreign Ministers, which meets at least once a month, adopts the decisions defining and implementing CFSP on the basis of these principles and guidelines. The Council is assisted by the Political Committee, which comprises the political directors, who are senior officials from Member States' foreign ministries, and the Commission, and by working parties. The presidency of the Council is held by the Member States in turn on a six-month rotating basis. The president-in-office together with the preceding and successive presidencies forms the so-called Troika.

The European Commission is fully associated with the work carried out in the field of common foreign and security policy and with the representation of the Union at international level (Articles J.9 and J.5(1) of the Treaty on European Union). It shares the right with Member States to put proposals to the Council for decision. This right of participation is an expression of the Council's and Commission's joint responsibility for ensuring consistency in the Union's external policy (Article C, second paragraph, of the Treaty on European Union), i.e. for coordinating common foreign and security policy and the external aspects of the European Communities' economic and development policies. Within the Commission, responsibility for CFSP is shared by the Commission president with another member of the Commission to whom Directorate-General 1A, which is responsible, *inter alia,* for CFSP matters, reports. Responsibility for foreign affairs within the Commission is divided up on a geographical basis: Directorate-General I is responsible for North America, the Far East, China, Australia and New Zealand; Directorate-General IA for Europe including Turkey, the Independent States of the former Soviet Union and Mongolia and for CFSP; Directorate-General IB for Southern Mediterranean, the Middle East, Latin America, South and South-East Asia; Directorate-General VIII for the African, Caribbean and Pacific States. ECHO (European Community Humanitarian Office) deals with matters relating to humanitarian aid within the Commission.

COMMON POSITIONS

The Council may define a common position (Article J.2(2) of the Treaty on European Union) laying down guidelines for national policies and a basis for a concerted approach. Member States support these common positions at international conferences and within international organizations. A common European voice has become a decisive factor within the UN and the OSCE. Member States are increasingly aligning their voting strategies and non-Community countries often base their positions on that of the European Union.

JOINT ACTION

Another decision-making instrument within the Council is joint action (Article J.3 of the Treaty on European Union). This differs from a common position in that it forms a basis for a common Union approach at international level rather than simply setting the ground plan for Member States' national foreign policies. Its scope, objectives, resources and procedures have, therefore, to be very carefully defined. A joint action is binding on the Member States and may only be deviated from under special circumstances. The presidency is responsible for implementing joint action. The details of joint action for which the presidency is responsible may be decided by a qualified majority. Joint action has been taken on the former Yugoslavia, to support the Middle East peace process and democratic transition in South Africa, on the control of exports of dual-use (civilian and military) goods, arms control and the non-proliferation Treaty.

COMMON STATEMENTS

The European Union also regularly issues common statements on international developments. The Union can use its political and economic weight to influence political events through such public declarations. The Union often uses this channel to give its initial reaction to internal political developments in certain countries, human rights issues and current conflicts.

(The second part of this article will appear in a subsequent issue.)

KEY FIGURES

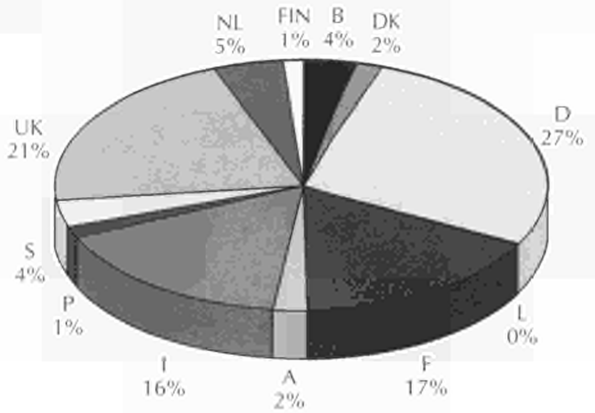
Data Shop Eurostat Luxembourg
tel. (352) 43 35 22-51 — fax (352) 43 35 22-221

Enterprises of the European Union

In 1992 there were about 16 million enterprises in the non-agricultural market sectors of the Europe of Fifteen generating an overall turnover of 11 636 billion ECU.

France, Germany, Italy, Spain and the United Kingdom alone represented over 75% of enterprises and some 80% of employment. With the accession of Austria, Finland and Sweden, the enterprise population of the EU grew by 700 000, representing a turnover of 738 billion ECU.

Turnover — Breakdown by country — 1992



The enterprises of the European Union in 1992 — Breakdown by country

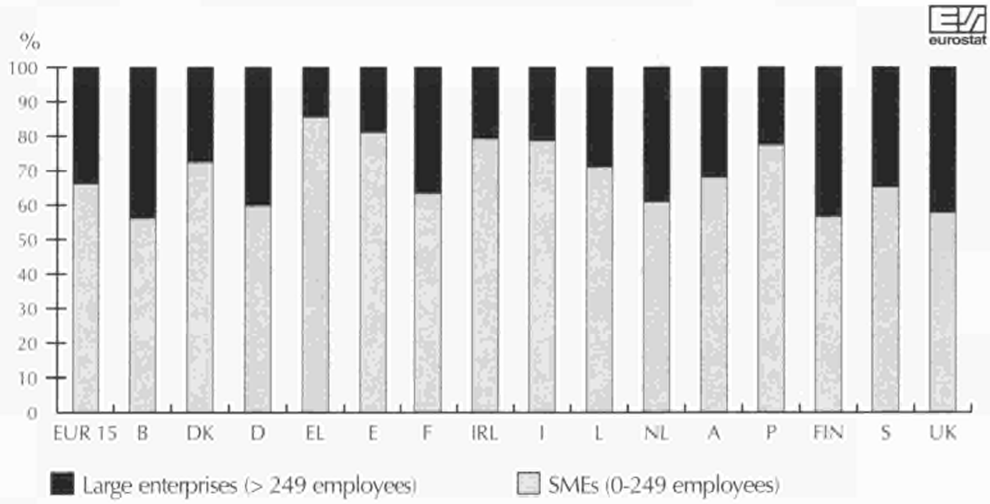
	EUR 15	B	DK	D	EL	E	F	IRL	I	L	NL	A	P	FIN	S	UK
Enterprises (¹)	15 777.0	396.0	163.0	2 420.0	1 038.0	2 166.0	1 956.0	81.0	3 243.0	15.0	395.0	188.0	626.0	199.0	341.0	2 549.0
Turnover (²)	11 636.2	377.6	173.0	2 865.2			1 753.9		1 695.5	20.5	475.0	232.9	151.4	137.2	368.3	2 189.6
Persons employed (³)	101.2	2.95	1.41	24.13	1.95	10.37	14.4	0.54	13.49	0.16	4.27	2.16	2.95	1.15	2.24	18.85

(¹) in thousands.
(²) in billions of ecus.
(³) in millions.

The enterprises of the European Union employ 101 million persons. SMEs form the backbone of the economy of EUR-15: over 99% of enterprises employ fewer than 250 persons and represent 66.2% of total employment.

Ireland and the countries of southern Europe (Greece, Italy, Portugal and Spain) are characterized by the large number of small enterprises. SMEs (¹) account for some 80% of employment in these countries.

Breakdown of employment by size of enterprise (%) — 1992



Breakdown of employment — 1992 (in millions)

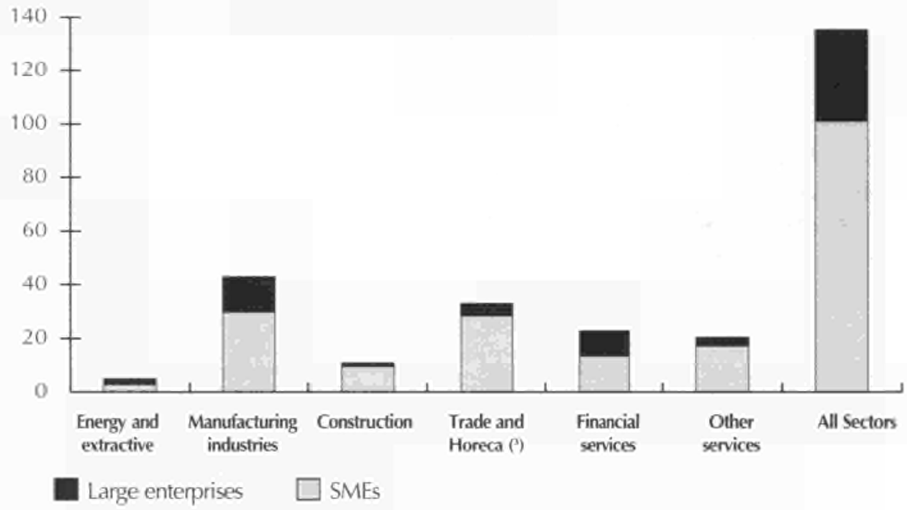
	EUR 15	B	DK	D	EL	E	F	IRL	I	L	NL	A	P	FIN	S	UK
Total employment	101.20	2.95	1.41	24.13	1.95	10.37	14.40	0.54	13.49	0.16	4.27	2.16	2.95	1.15	2.24	18.85
SMEs (¹)	66.87	1.65	1.02	14.45	1.66	8.41	9.12	0.42	10.61	0.11	2.60	1.46	2.28	0.65	1.46	10.87
% of employment repr. by SMEs	66.2	56.2	72.5	59.9	85.6	81.1	63.4	79.3	78.7	71.0	60.9	68.0	77.5	56.6	65.2	57.7

(¹) From 0 to 249 employees.

About 6.3 million enterprises in the European Union (or 40%) belong to the trade, accommodation and catering (horeca) sectors.

These sectors and the construction sector contain a large number of SMEs (83.3 and 85.7% of employment). Large enterprises are dominant in the 'traditional' industrial sectors such as the extractive and energy sector and the manufacturing industries.

Breakdown by size and sectors (in millions) — 1992



Breakdown by sectors — 1992

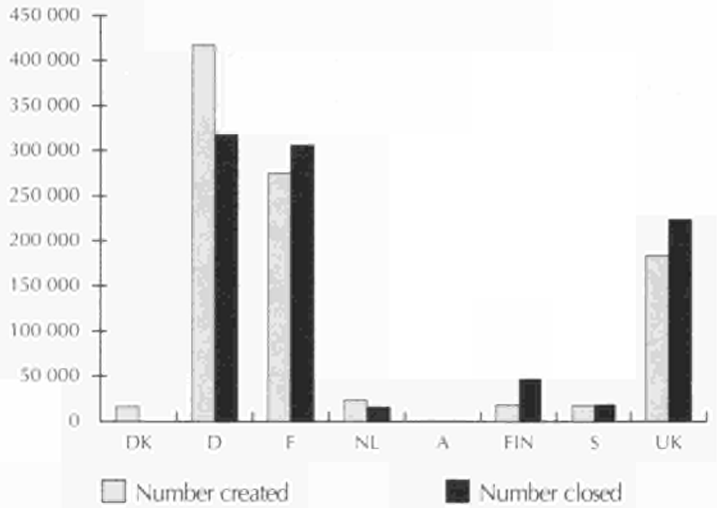
	Energy and extractive		Manufacturing industries		Construction		Trade and Horeca (³)		Financial services		Other services		All sectors	
	Nb	%	Nb	%	Nb	%	Nb	%	Nb	%	Nb	%	Nb	%
Enterprises(¹)	55	0.3	2 050	13.0	2 010	12.7	6 355	40.3	2 407	15.3	2 901	18.4	15 778	100.0
Employment (²)	2.76	2.7	29.73	29.4	9.53	9.5	28.28	28.0	13.44	13.3	17.29	17.1	101.23	100.0
% of employment repr. by SMEs		20.4		55.5		85.7		83.3		61.6		56.7		66.2

(¹) In thousands. (³) Horeca = accommodation and catering.
(²) In millions. Nb = Number.

In 1992, in eight Member States of the European Union, just under one million enterprises started operating whilst at the same time the same number wound up their activities

In Germany and the Netherlands, the number of enterprises created was higher than the number of enterprises closed down. The opposite applied in Austria, Finland, France, the United Kingdom and Sweden. The net creation rates (¹) varied from +4.6% in Germany to -14% in Finland.

Enterprise creations and closures in 1992



Enterprise creations and closures in 1992

	DK	D	F	NL	A	FIN	S	UK
Number created	16 758	416 900	274 541	24 000	658	18 565	18 364	183 452
Number closed	:	318 000	306 005	16 300	787	46 725	18 700	223 765
Net % created (¹)		4.6	-1.3	2.1	-1	-14	-0.01	-2.7

(¹) Net % created = the difference between the number created and closed divided by the existing population of enterprises.

TRANSPARENCY IN EXCEPTIONAL MATTERS

Since 1 January all EU Member States must notify the European Commission of all national measures which prevent the free movement of goods legally manufactured or sold in another EU country. This procedure, which stems from a decision taken in December 1995 by the European Parliament and EU Council of Ministers, is designed to identify the remaining obstacles to the free movement of goods within the single market. Once this has been done, it should be possible to resolve problems quickly, either by changes to the national measures in question or, if necessary, by amending existing EU legislation. This procedure applies to measures which amount to the imposition of a general ban, a refusal to grant authorization, a requirement to modify a model or a product or to withdraw it from the market. In these cases — a priori limited, according to the Commission — the national authorities must simply forward a copy of the measure taken, together with a one-page summary of the justification for it. The new procedure comes into force directly, as it does not require national implementing legislation on the part of the Fifteen.

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Speed limitation devices and tachographs are being added to the list of components which must be checked during the **annual roadworthiness test for commercial vehicles.** The EU Council of Ministers adopted on 20 December a directive modifying existing European legislation along these lines.

The Customs 2000 programme for **modernizing EU customs services** was definitively adopted by the EU Council of Ministers on 20 December, following confirmation by the European Parliament of the joint Parliament/Council proposal. With a budget of ECU 50 million, the programme (1996-2000) will make it possible to strengthen checks at the EU's external frontiers.

As from 1 January 1999 **marine equipment placed on Community vessels** will have to be tested by 'notified bodies'. The aim of this requirement, which stems from a directive adopted by the EU Council of Ministers on 20 December, is to ensure that the equipment meets international standards. This is both to improve safety on vessels and to facilitate the free movement of marine equipment within the EU.

Training programmes, exchanges of personnel as well as information and feasibility studies are the activities provided for under the OISIN programme for **Member States' customs services and police.** The programme, which focuses on combating international crime, was adopted by the EU Council of Ministers on 20 December for a period up to the year 2000. The EU is providing ECU 10 million in all, and will meet up to 80% of the costs of each operation.

The 1982 Seveso directive will be replaced at the end of 1998 by a new and more demanding directive, designed to **control the risks of major accidents involving dangerous substances.** The new text, adopted by the EU Council of Ministers on 9 December, defines an accident prevention policy for each industrial establishment covered by the directive. It also sets out accident prevention objectives and requires certain establishments to submit safety reports.

A licence will be needed hereafter for the export of **watercolours, gouaches and pastels** worth more than ECU 30 000 from their country of origin. The existing European rules were modified along these lines by the EU Council of Ministers on 16 December. The Council also added these works of art to the list of cultural goods which must be returned, if exported without a licence from a Member State, where they enjoy the status of 'national treasures'.

The main objectives of the SAVE II programme adopted by the EU Council of Ministers on 16 December are to stimulate **energy efficiency** in all economic sectors, and to encourage investments in energy conservation by private and public consumers. Some ECU 45 million has been earmarked for the programme for the five-year period from 1996 to 2000. The programme includes studies, sectoral pilot actions and measures taken at the regional or local level.

The EU Council of Ministers adopted on 9 December, after approval by the European Parliament, the programme of **telematic networks for the exchange of statistics on trade in goods between Member States' administrations.** The programme, to run from 1997 to 2000, is to have a budget of ECU 30 million. A Council decision in this area of 11 July 1994 was annulled by the European Court of Justice on grounds of legal form.

The European Commission adopted on 18 December the **new demarcation of the regions to be aided in Germany** from 1997 to 1999. Thus business enterprises in the five *Länder* in East Germany can continue to receive national or regional public aid. All of Berlin becomes an assisted region. The regions to be aided in the 10 West German *Länder* still account for 20.8% of the total population.

● 'Schengen' is extended northwards

Denmark, Finland and Sweden adhered on 19 December to the Schengen Convention, which provides for the elimination of identity checks at the frontiers between its members, all of whom belong to the European Union. These three countries join the 10 existing members of the group: Belgium, Germany, Greece, Spain, France, Italy, Luxembourg, the Netherlands, Austria and Portugal. Norway and Iceland cannot formally adhere to the group, as they are not members of the European Union. However, they signed a cooperation agreement with the Schengen countries on the same day: it confers on them the same rights and duties as the member countries, except the right to vote in the organization's governing body. The agreement with Norway and Iceland was necessary, given that these two countries belong to the Nordic Passport Union, along with Denmark, Finland and Sweden. In practice, this enlargement of the Schengen group will not result in any immediate changes, given that the effective integration of the five Nordic countries to the Schengen area will not come about until 1999 or 2000. Currently only six countries — Belgium, Germany, Spain, Luxembourg, the Netherlands and Portugal — are implementing the Schengen agreements in full. France is implementing only parts of them. Italy must join the Schengen information system (SIS) on 27 October of this year.

● Seven euro banknotes

The future European currency will consist of seven banknotes, in denominations of 5, 10, 20, 50, 100, 200 and 500 euros. The pictures on the banknotes, chosen through a competition organized by the European Monetary Institute (EMI), the forerunner of the European Central Bank, represent European architectural epochs and styles: classic, Roman, Gothic, Renaissance, baroque and rococo, the age of iron and glass and, finally, 20th century architecture. The 12 European Union gold stars also appear on the banknotes. The map of Europe, in grey, red, blue, orange, green, yellow and violet as the case may be, appears on the reverse of the banknotes — which contain no distinctive national emblems. The EMI presented the future banknotes on 13 December, simultaneously in Frankfurt, where it is located, and in Dublin, where the European Council was meeting. Both euro banknotes and coins will be put into circulation in 2002.

● Information society: an action programme

Two years after the launch of its first European action programme for the information society, the European Council, which met in Dublin on 13 and 14 December, adopted its successor, entitled 'Europe at the forefront of the global information society'. Presented by the European Commission on 27 November, the new plan sets out activities to be undertaken in four major areas. They are: (1) improving the economic and legal environment in which the information society is developing; it involves helping small and medium-sized enterprises to use the new technologies, encouraging satellite-based personal communication services and eliminating the obstacles to 'electronic trade' as regards copyright and digital signatures in particular; (2) promoting research and training in information and communication technologies; (3) countering social exclusion and regional differences in welfare within the EU, and ensuring that the benefits of the information society are widely distributed; (4) finally, the global dimension of the new action plan should prompt the European Union to join its partners in seeking agreements on global rules of the game.

● ... plus a promotional programme

In order to round off the numerous activities already being undertaken in the area of the information society, the European Commission proposed on 13 December a promotional programme covering the period from 1997 to 2001. The ECU 45 million programme would alert the public to the information society, help determine the needs of users, SMEs in particular, and study the effects of the new technologies at regional and local level. The programme would also look into the needs of the most disadvantaged categories, and encourage cities and regions to share their experiences. Finally, it would make it possible to prepare an inventory of European and national initiatives.

● ... plus access agreement consultations

How can the EU's competition rules be applied to agreements on access to telecommunications networks in the liberalized market of 1998? In a draft communication which it adopted on 10 December, the European Commission has explained the principles which apply, the relationship between European telecommunications legislation and competition rules, and the application of these rules to multimedia services. The Commission is asking businesses and interested bodies to send their observations to it before the end of February: European Commission, Directorate-General for Competition (DG IV/C), C 158 3/48, rue de la Loi 200, B-1049 Brussels. Fax (32-2) 296 98 19. Internet access.notice@dg4.cec.be

● European citizens who want to know

Nearly 150 000 people have used either the telephone or the Internet to find out about their 'European' rights. This is one of the findings of the initial assessment of the 'Citizens first' operation by the European Commission, published on 20 December after three weeks of activity. The average number of calls — 27 per 100 000 adults — is well above the response rate recorded during comparable national or regional operations. It should be added that through the Citizens first Freefone numbers and Internet site it is possible to obtain guides and fact sheets describing the possibility of living, working or studying in another EU country than one's own. The Freefone numbers are: Ireland (1-800) 55 31 88 and the United Kingdom (0800) 58 15 91. Internet http://citizens.eu.int/

○ IN BRIEF

The impact of the single market and its effectiveness are described in a 160-page volume entitled *The single market and tomorrow's Europe*. Published by the Office for Official Publications of the European Communities (EUR-OP) on 13 December, it is already available from bookshops. It will shortly be published in other EU languages.

SEEN FROM ABROAD

► How is Norway to be 'integrated?'

The Norwegian government favours European integration 'in the broad sense', its foreign minister, Bjoern Tore Godal, indicated on 6 January, on the occasion of a working visit to The Hague. The purpose of the visit: the Netherlands is holding the EU's rotating presidency which began on 1 January and lasts for a six-month period. Mr Godal added that his country 'attaches a great deal of importance to European talks on energy, fisheries and the merchant fleet'. The Norwegians have twice rejected, by referendum, their country's accession, first to the Community, in 1972, and then to the European Union, in November 1994. Norway is a member of the European Economic Area, which assures the free movement of workers, goods, services and capital between its members — the 15-nation European Union, Iceland, Liechtenstein and Norway.

**A great deal of additional information on the European Union is available on the Internet.
It can be accessed through the Europa server (http://europa.eu.int)**

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