



Monthly newsletter on the single internal market

## Railways with a European dimension... ...and fit for the single market

■ by Karel Van Miert, Member of the European Commission

A wind of hope is blowing over the European Community's railways. The EC Council of Ministers agreed at the end of June on a series of measures aimed at giving railways the place they deserve in Europe.

In recent years the railways have continued to give way to other forms of transport. Their share in the transport of merchandise within the Community fell from 18% to 14% between 1984 and 1989. And yet the railways have a number of strong points. Their level of pollution is low, they require relatively little space and energy and they go to cities' centres.

The introduction of the TGV, France's high-speed train, and the development of combined transport, point to a rebirth of railways. The EC's transport ministers strengthened such hopes by setting rules in keeping with the spirit of the single market. The rules will make it possible to give national railway systems a European dimension and gradually open them up to Community-wide competition, even while meeting social and safety standards, as is the case for other means of transport.

The logic of the single market implies that carriers should not limit their activities to the Member State in which they are registered but cover the Community. To get there, in a sector in which companies are State-owned and manage the infrastructure, railways must be given the necessary independence and access to a European railway network. And this is precisely what the European Commission proposed to the Council of Ministers in 1989 — and what the Council agreed to in June.

- Hereafter Member States will have to ensure the independence of management of their national railways and allow them to operate according to the same principles as private companies.
- The transport of goods and passengers, and the management of railway networks, will hereafter be handled separately, at least from an accounting point of view. The body managing the network will charge users a fee fixed in such a way as to prevent any discrimination between them.
- Regroupings of Community railway companies and companies engaged in international road/rail transport will acquire rights of access and transit in the EC's Member States, thus making the single market dimension come about gradually.
- Finally, in order to make sure the existing railway companies are commercially dynamic, the Member States will contribute to the reduction of their often very substantial debts.

All the elements of this agreement between the Twelve will be embodied in a Directive (European law). The Council had already adopted at the end of June a European Regulation dealing with the railways' obli-

### Towards 'European' skies:

The liberalization of European air transport is ready... in the form of a project at least. The European Commission proposed to the Twelve on July 17 a package of three Regulations (European laws) aimed at offering Community travellers and carriers a border-free airspace. The three Regulations would come into force on 1 January 1993, and would extend the principles of the single market to air

transport. They make up the third package of measures, the first two having been adopted by the Twelve in order to loosen the grip of national monopolies and start opening up the air transport market to European competition. The first package, adopted in December 1987, came into force the following month; the second, adopted in June 1990, has been implemented since November 1990 (see p. 3 for the details).

gations as a public service, which will be replaced by contracts freely negotiated between the companies and the State. In addition, the companies will carry out their public service obligations independently of their commercial activities.

This series of decisions marks a turning point in the evolution of the Community's railway policy. It has been accompanied by measures relating to infrastructure. Thus, the Council adopted in 1990 a Resolution on a European network of high-speed trains. The Commission, for its part, will submit a report on the development of combined transport before the end of the year.

Now that the first step has been taken, intentions must be quickly translated into reality in the interest of the Community's citizens.

8

AUGUST—  
SEPTEMBER 1991

The text of this issue  
was completed  
on 23 July 1991.

## DECISIONS

### ■ Approximating VAT and excise duties

As from 1 January 1993 individuals as well as traders in the European Community will be able to buy goods freely anywhere in the 12-nation Community and bring them home without border checks. This key element of the 1992 programme will become a reality because the Twelve reached agreement on June 24 to approximate VAT rates and excise duties, the special taxes on alcohol and tobacco and petrol. Once taxes in Member States adjacent to each other are at roughly the same level, national tax authorities will no longer fear massive cross-border shopping and the checks will then become meaningless. In practice, the Twelve have undertaken to apply, as from 1 January 1993, a minimum standard VAT rate of 15%; at the same time all the higher rates which apply to 'luxury' goods, such as cars, perfume and hi-fi equipment, will be eliminated. The Twelve will be able to tax, at a reduced rate of around 5%, a series of goods and services appearing on a list they have drawn up, which includes food products, medicines, books, newspapers, records and public transport. Member States which have zero-rated certain goods will be able to continue with the practice until 31 December 1996 at least. The 'extra-low' rates — from 1 to 4% — will be authorized for the same period in the countries which already have them, as well as Spain and Luxembourg. As for excise duties, the Twelve adopted minimum rates for petrol and alcoholic drinks, with exemptions for wine and heating oil. Excise duties on cigarettes will have to amount to 57% of the retail price at least. The ministers must now transform their agreement into 'European laws'.

### ■ Security for 1993

In order to be able to eliminate checks at the European Community's internal borders from 1 January 1993, even while guaranteeing its citizens the same level of security, there will have to be perfect cooperation between the police forces of the various Member States. The EC's home and justice ministers, meeting as the Trevi Group on 13 June, decided to improve police training and to arrange for their scientific police to cooperate with each other. Finally, the ministers set out the precise tasks to be carried out by the future European information unit on drugs, whose creation is already planned.

### ■ Luggage without customs checks

As from 1 January 1993 the luggage of passengers travelling within the European Community, whether by air or sea, will no longer be subject to examination by customs officials. The EC Council of Ministers decided on 18 June to eliminate these checks. Their decision does not call into question security checks on luggage before embarkation, nor the special checks linked to the fight against terrorism and drugs. Special rules are envisaged for flights and sea crossings involving a port or airport located in a non-EC country, whether at the start of the journey (a New York-Brussels-Athens flight, for example), or at arrival (Athens-Brussels-New York), or during the course of the journey (Berlin-Zurich-Nice). It will mean customs checks for the few passengers not having left the 12-nation Community. But an estimated 98% of all journeys between two points within the EC will be free of such checks. The new rules must be considered by the European Parliament before they become 'European law'.

### ■ 'European' insurance accounts

As from the 1995 fiscal year, insurance companies established in the European Community will have to keep their annual accounts according to a common system approved by the EC Council of Ministers on 18 June. This will make it easy to compare these accounts from one country to another, a distinct advantage for shareholders, brokers and large policy-holders. But the Council deci-

sion is especially important because it paves the way for the adoption of a series of 'European laws' needed to complete the internal European market in this field. The European Court of Justice has held that free access to the insurance market requires the prior harmonization of the technical provisions which companies must meet. The agreement among the Twelve can become a 'European law' after a fresh examination by the European Parliament.

### ■ Meat, fish and shellfish

The single market in animals and animal products meant for human consumption progressed substantially on 26 June, when the EC Council of Ministers adopted six 'European laws' in this field. It definitively adopted a Directive harmonizing Member States' sanitary regulations covering trade in fresh poultrymeat, whether produced in the EC or imported from non-EC countries. This Directive will come into force on 1 May 1992. Of the five other Directives adopted by the Council, the first harmonizes sanitary conditions in the slaughterhouses and installations where carcasses are cut up; it will come into force as from 1 July 1992. It is accompanied by a second Directive, granting temporary derogations for certain slaughterhouses. The third Directive establishes the principle of the checks to be carried out by veterinary surgeons on animals from third countries; it will come into force on 1 July 1992. The fourth Directive lays down the sanitary rules to be met for the production and marketing of molluscs such as mussels and oysters, while the fifth does the same for fishery products.

### ■ Copyright no barrier to free competition

A company which is in a dominant position cannot invoke copyright, guaranteed by national legislation, with a view to preventing the arrival of a competitor on the market. In such cases the European Community's competition rules take precedence over the national laws which protect intellectual property. In affirming these principles in a judgement it handed down on 10 July, the European Court of First Instance justified a decision taken by the European Commission at the end of 1988. The Commission had asked the main radio and television companies in Britain and Ireland — the BBC, ITV and RTE — to authorize other companies to publish their programmes in the weeklies. The BBC, ITV and RTE, which publish their own radio and television guides, challenged the Commission's decision on grounds of copyright. The Community's judges have decided against them.

### ■ Remedies under procurement procedures

In the single European market, companies which feel they have been unfairly treated when tendering for public procurement contracts in the water, energy, transport and telecommunications sectors will have the means to redress their grievances. The EC Council of Ministers agreed on 18 June on a system designed to guarantee effective and rapid remedies under procurement procedures in these sectors. The Directive (European law) which was approved by the Council completes the opening-up of public procurement to competition in the four sectors in question, already agreed on by the Twelve last September. The Directive must still be examined by the European Parliament.

### □ BRIEFLY

The EC Council of Ministers adopted definitively the Directive setting out the standards for the checks to be carried out as regards **the purchase and possession of firearms**. These checks will take place within the Member States, thus making it possible to eliminate checks at the European Community's internal borders (see *Target 92*, No 2/91).

As from 1986 **driving-licences** issued in a Member State will automatically be European. This means that persons moving from one European Community country to another will no longer be required to obtain a new driving-licence within a year of changing their country of residence. A Directive to this effect was adopted by the Twelve on 21 June.



# EDUCATION, TRAINING AND THE BUILDING OF EUROPE

by Hywel Ceri Jones

Director of the Task Force for Human Resources, Education, Training and Youth  
Commission of the European Communities

The work of building Europe is currently entering a new stage. The two intergovernmental conferences on political union and economic and monetary union are going to strengthen the part that human resources, education and training can play in building Europe. In the single market, human resources need to be at the centre of our strategy for developing the Community in the 1990s. Europe can only compete successfully against the rest of the world by developing its human resources. At the same time, success in promoting European citizenship will also be determined very largely by the degree to which all European citizens can gain access to education and training, as part of a life-long learning process.

## The challenges for the Community

The Community will find itself facing a series of challenges which will oblige it to rethink the whole issue of post-compulsory education and training. The main problem areas are:

- the major changes occurring in the socio-economic environment in the 1990s and the faster pace of economic and technological activity world-wide with which the economy of Europe will have to cope;
- the new forms of technological innovation and the likelihood that its pace will quicken in the years to come together with the restructuring of work organization which will make human resources a key asset and intensify the need for new skills;
- the need to rethink the relationship between investment in the field of research and development to increase innovative potential and the investment needed to train and retrain the workforce. On the latter will depend the effective exploitation of innovation, particularly in small and medium-sized enterprises (SMEs), which will be the key to increased productivity and economic success;
- the benefits to be gained from the creation of a European education and training area in which firms can develop new ways to harness and use skills. This must mean totally new training and mobility horizons for everybody, and a training market which is European and no longer merely national;
- such benefits will only be gained by a knowledge and understanding of other Member States' training and

education systems and the setting-up of trans-European information and exchange networks between providers and decision-makers;

— the questions raised by newly emerging intra-Community mobility patterns, and immigration into the Community, and the effects of these on the working of the European labour market.

The 1990s will see a strengthening of the role of human resources because this decade will be marked by continued economic restructuring which was such a characteristic feature of the 1980s and which will affect different economic sectors. The pace of change will quicken, especially skill needs, with the creation of the single market and technological innovation. To prepare themselves for an increasingly dynamic environment and one which will grow increasingly difficult to predict, industry will need to develop systematically its key strategic resources: technologies, networks, information, human resources. Full use of these resources cannot be achieved without preparation in advance. That is why the best companies are investing in these resources, so that they react fast to events or opportunities. These are uncertain times and flexibility of approach is paramount. Education and training policy must help deliver ever greater flexibility. Firms must be able to depend on education and training infrastructures to help them.

## Human resources — make better use of less

Demographic and migratory trends and the way the labour force will change, and along with it the stock of skills, are key factors. The preponderance of youth in the labour force will dwindle. It is therefore essential to attach greater importance to the skills of the adult part of the labour force since over 80% of those who will be in employment in the year 2000 are already on the labour market, and skill requirements change at between 10 and 15% per year, while the annual arrival of young people onto the labour market is a mere 2% of the total labour force. This means strong pressure on adult training without relaxing our efforts to improve training for young people. These trends also open the need for training beyond a person's working life, and make the idea

of recurrent or life-long education all the more relevant. Demographic trends mean that greater efforts are needed to increase equality of opportunities for training and employment for women, in particular women returning to work. In fact, labour force resources shortages will mean that jobs will be made available for them, that their level of qualification will be raised, and the range of employment opportunities available for them will improve. Within the Community young girls and young women must be encouraged to go for more worthwhile jobs which in turn will mean longer training and higher qualifications. Countries which are successful in solving these questions will enjoy a distinct advantage in tackling the problem of the skill shortages which will be a feature of the labour market in the 1990s.

### **The European skills market**

The labour market in the various countries of the Community currently seems to be showing signs of a relatively new phenomenon, generally referred to as a skills' shortage. This is a new simultaneous challenge for education and training policy-makers: high unemployment and a scarcity of skilled labour. Understanding this phenomenon is not easy. Broad complementary studies on macroeconomic, regional and sectoral levels seem to be required. The Commission has undertaken some work, and initial results will be published in its Employment report for 1991.

Community policy on vocational skills has two objectives: the free movement of persons, and the development of a common policy for vocational training. Action undertaken must help to define a Community strategy to manage the 'European skills market' which, come 1992, should form one of the central features of policy-making in the field of human resources. In this context, skill needs, personal mobility, recruitment policy and corporate management must all gradually evolve to take account of this new European dimension to the skills market.

It is important to remember that it is not enough to pursue these objectives simply to promote geographical and inter-sectoral mobility. Even if the idea of creating a single European-scale labour market at a stroke can be disregarded, the establishment of the single market will mean that for a large number of sectors it will become essential to assess skills and qualifications on European criteria. The implication of this is that the Community will have to take action to ensure that the qualifications obtained in one Member State can be clearly understood in another. Given the extent of differences between countries in the formal structure of qualifications and the ways that qualifications are used by the labour market, the Community will have to strengthen cooperation at European level to ensure progress is made on solving these problems. There are increasingly convergent approaches to developing new qualifications. The pioneers in this regard are the industrial sectors, where information processing and high technology have esta-

blished a framework which works across boundaries and cultural barriers.

SMEs are regularly described as the way to create new jobs and regional development. SMEs account for 80% of firms in the Community and are thus a priority for any Community action. They must develop strategies for innovation to achieve the critical mass needed for economies of scale and to develop their particular specialized niches. For SMEs to participate and benefit from the advantages offered by the single market, training policies must be developed for them which cater for their specific needs. To respond to these various challenges, SMEs must have better access to training so that they can successfully cope with the single market, especially as a key element in the economic growth of the less-developed regions.

In general terms, education and training policy must become one of the pillars for building the Community, underpinning the objectives of the Community in the economic, social, industrial and cultural sectors, and especially the idea of European citizenship. It will also support the role of the Community in the world, in its relations with the EFTA countries, Central and Eastern Europe, the USSR, the USA and other non-Community countries and international organizations. The development of cooperation in these fields is an indication of the extent of possible mutual benefit in this area.

### **New avenues for Community action**

In close cooperation with the two sides of industry and the Member States represented on the Advisory Committee for Vocational Training the Commission is endeavouring to define the directions for Community policy in the 1990s. This procedure is now drawing to a close and in a forthcoming memorandum the Commission will describe the action that it considers necessary to meet the economic, technological and social challenges in Europe in the years to come. At the same time the other major area of activity, namely access to further training for workers in Europe, is taking shape. The two sides of industry have contributed in a significant way to the joint opinion being adopted at European level in this field, in the framework of the social dialogue between the trade union organizations and the employers' associations. The Commission is in the process of preparing, as part of the action programme on the Social Charter, an appropriate Community instrument. The various studies that we have conducted in the Member States indicate that this question is crucial for the competitiveness of enterprises, which will be largely determined by their ability to develop strategies and effective training programmes for their workforce. The aim is to support this movement, in particular for SMEs who offer little in the way of training, while at the same time allowing a large degree of flexibility in the choice of actual methods for implementation by the Member States and industry as a whole.

## Relations between the EEC and developing countries

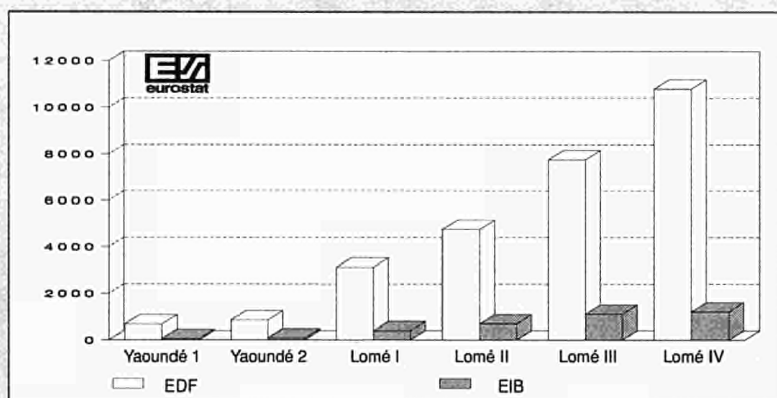
### The cooperation policy budget (million ECU)

EDF (European Development Fund) and EIB (European Investment Bank)

### The Lomé Convention

On 15 December 1989 the fourth Lomé Convention between the EEC and 69 African, Caribbean and Pacific developing countries was signed. It follows on from other Conventions of the same type under the Community's cooperation policy.

Between the first Yaoundé agreements and Lomé IV, the EDF budget went up sixteenfold, while total aid per ACP inhabitant rose from ECU 10.6 to ECU 26 (at current prices).

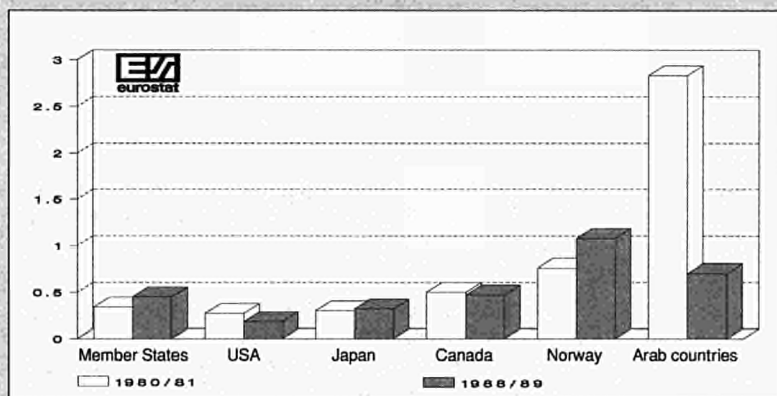


### Official development aid (% of GNP)

### Official aid by Member State

Alongside the Community's multilateral cooperation policy, each Member State has a budget for official development aid.

The Member States' aid amounted to 0.45% of Community GNP in 1988/89, an increase on the 1980/81 figure. The USA, on the other hand, has reduced its official aid, whereas Japan, Canada and, above all, Norway have stepped up their effort. The Arab countries' aid has followed the pattern of their oil revenue and has therefore fallen appreciably, but it is still higher than that of the Member States.

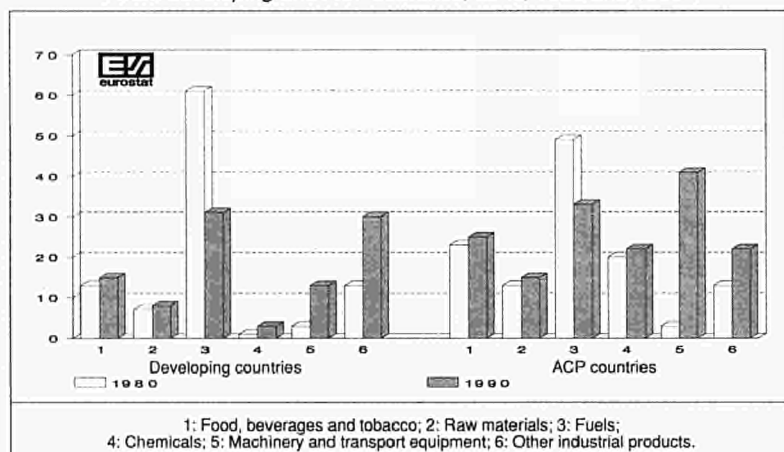


Official development aid (% of GNP)

	B	DK	D	GR	E	F	IRL	I	L	NL	P	UK
1980-81	0.38	0.59	0.45	:	0.11	0.31	0.15	0.16	0.12	0.80	0.03	0.39
1988-89	0.43	0.91	0.40	0.07	0.07	0.52	0.18	0.40	0.29	0.96	0.21	0.32

### Breakdown of Community imports by product (EUR 9)

from developing and ACP countries, as %, 1980 and 1990



1: Food, beverages and tobacco; 2: Raw materials; 3: Fuels;  
4: Chemicals; 5: Machinery and transport equipment; 6: Other industrial products.

## The Community's purchases

The proportion of fuel imports from developing countries has fallen from 61% of the total to 31%, to the benefit of industrial products (mainly from the South-East Asian countries).

The bulk of the ACP countries' exports comprises food products (25% of the total in 1990), raw materials (15%) and fuels (33%).

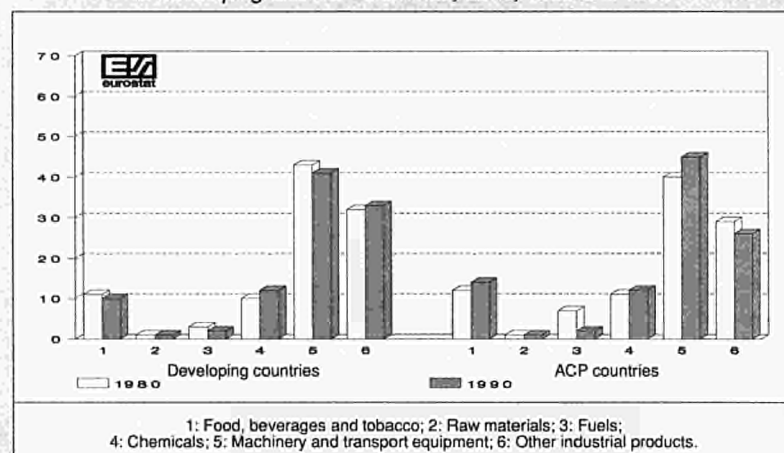
Particular mention must be made, however, of the increased proportion of industrial products in the ACP countries' exports.

#### EC imports by origin (%)

	ACP	Latin America	South-East Asia	Total developing countries	Other
1980	7	4.6	2.6	42.4	57.6
1990	4.4	5.1	3.7	31.2	66.6

### Breakdown of Community exports by product (EUR 9)

to developing and ACP countries, as %, 1980 and 1990



1: Food, beverages and tobacco; 2: Raw materials; 3: Fuels;  
4: Chemicals; 5: Machinery and transport equipment; 6: Other industrial products.

## The Community's sales

The structure of the EC's exports to developing countries is similar to that of total exports (see Key figures No 6/1991).

The main exports are machinery and transport equipment, accounting in 1990 for 41% of EC exports to developing countries and 45% to ACP countries (compared with 40% in 1980).

#### EC exports to (%)

	ACP	Latin America	South-East Asia	Total developing countries	Other
1980	7.1	4.9	2.6	37.8	62.2
1990	4.5	5.3	3.7	31.9	68.1

With the completion of the single market in 1993 it will no longer be possible to collect **statistics on trade** between European Community countries at their internal borders. Under a new system, Intrastat, adopted by the EC Council of Ministers on 8 July, these statistics will be obtained from the companies engaged in intra-EC trade. Even so, Intrastat will mean fewer formalities for these companies.

The Twelve adopted on 27 June a European list of the substances that can be safely used for the manufacture of **pesticides, herbicides** and other 'medicines' for plants. These products, authorized by an EC country, will thus be able to circulate freely within the single market, as will the fruit, vegetables and other vegetable material treated with the products in question.

The EC Council of Ministers decided on 22 July to set up an **insurance committee**, composed of the insurance supervisory authorities in the 12 Member States. The task of the new committee, to be chaired by a European Commission representative, will be twofold: (1) to advise the Commission on the implementation of 'European laws' in this sector, suggesting fresh legislation if it should prove necessary; and (2) keep it informed of the access enjoyed by European companies to the insurance markets of non-EC countries.

The EC Council of Ministers adopted definitively the Mattheus exchange programme, which will involve some 1200 customs officials between now and the end of 1993. The aim is to **give these officials training at the European level**, so that they can implement the single market legislation in a uniform manner *vis-à-vis* non-EC countries (see *Target 92*, No 5/91).

**Fork-lift trucks** will be able to move freely from one European Community country to another from 1 January 1993, provided they meet the safety requirements set out in a Directive adopted by the Twelve on 21 June.

The EC Council of Ministers decided on 22 July to make it easier to set up a **Community-wide system for the exchange of commercial and administrative information** stored in computers. The aim is to enable companies and government departments throughout the Community to place orders and send invoices and official forms by computer. The means to this end is the second phase of the Community's *Tedis* programme, launched in 1987, with a budget of ECU 25 million for three years (ECU 1 = UK£ 0.70 or IR£ 0.77).

## INITIATIVES

### ● Coming — a European police force?

The German Federal Government has proposed to its European Community partners the creation of a central office of European police, 'Europol', by 31 December 1993 at the latest. This European police office would be entrusted with the fight against international drug traffickers and organized crime. As from 31 December 1992 a station would act as a relay coordinating exchanges among the Twelve of both information and experiences. During the Luxembourg meeting of the European Council on 28 and 29 June, the Heads of State or Government of the other 11 EC countries declared themselves in agreement with the objectives of the German initiative. The Twelve decided to examine the proposal in the framework of their intergovernmental conference, which seeks to reform the Treaty of Rome, the Community's 'Constitution'.

### ● Three 'European skies' Regulations

The European Commission has proposed the liberalization of air transport (see p. 1) on three fronts: the right to fly, access to all airlines, and fares. The first of the three Regulations ('European laws') would fix Community criteria for the grant of licences authorizing an air carrier to operate, so that a company licensed to operate in one Member State could operate in all the other States. A second Regulation would give Community airlines the right to carry passengers and freight on any route within the Community, without distinction of nationality. The third Regulation would make it easier to approve the new fares proposed by airlines: on a given route, only the refusal of both the Member States concerned would lead to the new fares being rejected.

## POLLS: '1992' ON A RISING TREND

In the spring of 1991, some 51% of Europeans in the Community saw the completion of the single market, set for the end of 1992, as 'a good thing', as compared to 50% in the autumn of 1990 and 45% in the spring of 1990 — after having largely exceeded 50% in 1987 and 1988. These are the findings of the latest Eurobarometer poll (No 35), published on 4 July. In the spring of this year only 9% of those polled regarded the 1992 programme as 'a bad thing', while for 31% percent it was 'neither good nor bad'. Support for the 1992 programme was much higher in the EC's southern regions (Italy, Spain, Portugal and Greece) and in Ireland. For the EC as a whole, those most favourably disposed to the single market were: people between 15 and 34 years of age, those with higher education, and those who follow the news closely. Some 65% of those polled regarded the single market hopefully, as against only 60% last autumn. Some 25% were afraid of it — the same per cent as last autumn — while 10% had no opinion to offer, as against 16% last autumn.

## ○ BRIEFLY

The European Commission decided on 4 July to open **an enquiry into the cost of telephone calls** between the 12 European Community countries, and between the EC and the rest of the world. A call to someone in another EC country often costs two or three times as much, for the same distance, as a call to a person living in the same country. The Commission wants to find out if there are agreements contrary to Community legislation.

**Spain and Portugal signed the Schengen Convention** on 25 June, thus joining France, Germany, Italy and the three Benelux countries in an enterprise which must lead to the complete elimination of border checks on individuals from mid-1992 — six months ahead of the European Community timetable. The Convention must be ratified by all the signatory countries before it can take effect. So far, only France has done so.

Denmark signed on 13 June the Convention establishing common criteria for designating the European Community country which must reply to a **demand for asylum**. The Convention guarantees all those seeking asylum that their demand will be examined by an EC country. The Convention was signed by the 11 other countries on 15 June 1990; it must be ratified by all 12 national Parliaments before it can come into force.

The European Commission office in Germany has published a guide entitled 'EG-Kommunal' — that is to say, **The European Community for districts**. It is aimed especially at mayors, town councillors and those handling local information, for it seeks to familiarize them with the Community dimension of their work. The fact is that of the 282 measures to be adopted under the 1992 programme, 120 of them must be implemented by districts as regards their essential elements.

The guide, which is free, can be obtained from the Commission's Office in Germany: Zitelfmannstraße 22, D-W-5300 Bonn 1.

## SEEN FROM ABROAD

### ▶ Sweden seeks membership

Sweden's Prime Minister, Ingvar Carlsson, presented his country's official demand for membership of the European Community on 1 July. Mr Carlsson expressed the hope that Sweden could become a member on 1 January 1995. The list of countries seeking membership continues to lengthen; it already includes Turkey, Austria, Cyprus and Malta. The EC, for its part, has let it be known that it did not envisage enlargement before the completion of the single market on 1 January 1993.

## ▷ BRIEFLY

The **grand council of the Swiss canton of Sankt Gallen** has set up an association of 90 parliamentarians. The aim is to spread detailed information on European integration, and see to what extent draft cantonal laws are appropriate for Europe.



### ◆ Business policy — a new dimension

The EC Council of Ministers adopted on 18 June the new guidelines proposed by the European Commission for the Community's business policy. The aim is to ensure 'a qualitative leap' in the totality of actions in favour of business in general and small and medium-sized enterprises (SMEs) in particular. This new dimension takes into account the positive results for the experimental stage of business policy (1986-90); it is specially aimed at a better coordination of European services in support of SMEs — particularly the network of interbusiness cooperation, the BC-Net, the Euro-Info-Centres and the Europartenariat operations.

The three objectives of Community business policy remain unchanged. They are to promote an environment which favours the creation and development of enterprises; provide more information to SMEs; and encourage interbusiness cooperation. This policy will be strengthened thanks to the 'network effect' produced by the combined action of the various services for SMEs.

This fresh impetus justifies a supplementary budget of ECU 25 million, which must be added to the sum of ECU 110 million approved in 1989 for the period to the end of 1993. It is all the more justified in view of the fact that new activities are to be started in favour of small businesses and craft industry. The support given to SMEs and to interbusiness cooperation — in all its forms — is a basic element in the completion of the 1992 single market. As a result, enterprises will be better placed to respond beforehand to the challenges the single market implies.

### ◆ Europartenariat: Porto is a success...

Europartenariat '91 closed its doors in Portugal in the realization of a job well done. In addition to the 209 select Portuguese businesses, more than 800 businesses from elsewhere in the European Community — and even outside it — were present at Porto on 17 and 18 June. There were some 2 500 business meetings arranged in advance, and an equal number of spontaneous meetings.

Representatives of Italian, French, Spanish and Belgian companies were especially active. Visitors, businessmen and consultants — between 800 and 1 000 persons in all — came not only from other EC countries but also Austria, Sweden, Switzerland, Norway and Brazil. A number of interbusiness cooperation agreements were signed at Porto itself.

Europartenariat was launched by the European Commission, in order to promote the economic development of a disadvantaged region by encouraging contacts between firms located in the region in question and elsewhere in the Community and outside it. Cooperation, in such fields as trade, finance and technology, can take the form of the transfer of know-how, production agreements, technical assistance and joint ventures. Such cooperation is of particular interest to SMEs.

### ◆ ...while waiting for Leipzig

Europartenariat is an effective way of promoting interbusiness cooperation, and a growing number of firms and regions are showing an interest in it. It is to be held for the second time this year, this time in Leipzig, on 2 and 3 December. It is aimed at the five new *Länder* of the Federal Republic of Germany.

A catalogue, listing the 344 East German businesses selected by the organizing committee, in collaboration with the European Commission, will be available as from September. Published in German, English, French, Spanish and Italian, it will be widely distributed through the network of Business Innovation Centres (BIC), the BC-Net, the Business Cooperation Centre, the Euro-Info-Centres and networks of business consultants.

Europartenariat has already been active in Ireland in 1988, when more than 20 cooperation contracts were concluded; Andalusia, which resulted in some 2 000 meetings and 100 cooperation contracts in 1989; and Wales in 1990, when 2 000 meetings resulted in 45 firm contracts and another 30 under negotiation.

In 1992 Europartenariat will visit Salonika, Greece, on 18 and 19 June, and the Italian Mezzogiorno later that year.

### ◆ BC-NET: network power

The annual meeting of BC-Net (Business Cooperation Network — the interbusiness cooperation network) was held in Paris on 4 and 5 July. It brought together some 600 consultants who are members of the network as well as numerous foreign observers. The meeting showed the network's potential given its professionalism, the diversity of its members — major banking institutions, chambers of commerce and industry, professional bodies, private consultants with international experience, development and research agencies — and its geographic coverage.

Thanks to the conclusions of the annual meeting it was possible to set out the priorities of a work programme for the next 12 months.

BC-Net — the first European network for the confidential search for partners — covers all the regions of the Community's Member States and EFTA countries (Switzerland, Austria and the Nordic countries) as well as Mexico, Brazil, Tunisia and Poland. Thanks to BC-Net it is possible to compare, quickly and confidentially, offers of and requests for cooperation from businesses, by calling on the consultants belonging to the network. This search can involve all activities, in all sectors of the manufacturing and service industries.

### ◆ Euromarketing: the strategies to follow

The project for a Euromarketing study seeks to uncover the orientations for the marketing strategies to be followed by Community SMEs, in order to help them take advantage of the opportunities offered by the completion of the internal market.

A study of the techniques used in this field is to be undertaken, with the following objectives: discover the niches which offer SMEs an opportunity to carry out a marketing operation at the Community level and collect case studies of SMEs that have succeeded in finding a niche for themselves on the European market through appropriate marketing strategies. From these case studies it should be possible to determine lines of action, valid for other SMEs, and draw up a method of self-diagnosis in the field of 'Euromarketing'. It should help SMEs to try to position themselves in relation to the European market and to find the right orientation.

The result of this research will be presented next spring, in the form of a handbook aimed at SMEs, using case studies and operational contracts.

### ◆ Euromanagement is launched

Directorate-General XXIII of the Commission of the European Communities, which has responsibility for enterprise policy, wishes to strengthen its action aimed at industrial SMEs that want to do more in the field of European technological cooperation. The pilot action, Euromanagement, launched to this end, is aimed at helping these SMEs take part in the Community's technological research and development (TR&D) programmes. How? By having a network of consultants, specialists in innovation strategies, carry out a survey of a sample of European SMEs, focusing on the activity and research projects of these enterprises.

A training seminar of Euromanagement consultants was held in Brussels last July. Forty-six bodies, chosen from each of the 12 EC countries, took part.

The seminar marked the effective start of Euromanagement. Now some 700 surveys — one per enterprise — must be carried out, as a contribution to a better integration of SMEs into the dynamism of Community research and innovation.

The contents of this publication do not necessarily reflect the official views of the institutions of the Community.  
Reproduction authorized with reference to the source.

Commission of the European Communities  
Directorate-General Audiovisual, Information, Communication and Culture, and Directorate-General Enterprise Policy,  
Distributive Trades, Tourism and Cooperatives, Rue de la Loi 200 — B-1049 Brussels



OFFICE FOR OFFICIAL PUBLICATIONS  
OF THE EUROPEAN COMMUNITIES