



Economic and monetary union: A further step towards a federal Europe

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The economic and monetary union (EMU) is a natural but also necessary follow up to the single market process. EMU will be the final stage in the economic integration process with the existence of a single market and of a single currency, the ecu, under the control of a common monetary authority.

EMU is no longer a far away objective. Its first stage began on 1 July 1990. With the inauguration of the Intergovernmental Conference on 15 December 1990 the work to establish the legal framework for the second and third stages has begun. The conference is expected to have finished its work in the autumn of 1991, which should make it possible to wrap up the ratification procedure by the end of 1992.

The conference will not start from zero to accomplish its work. It has at its disposal two years of studies and reflections, including some very precise proposals, especially from the Commission and from the Committee of Central Bank Governors, who produced a set of detailed draft statutes for a European Central Bank.

The Commission presented its ideas in a document on 21 August 1990. At its extraordinary session the European Council in October in Rome took into account the essence of these ideas in its conclusions, adopted by 11 Heads of State or Government. These orientations represent a guideline for the conference.

Following the conclusions from the European Council in Rome of mid-December 1990 the main elements of EMU will be:

- (i) a single monetary policy, conducted by an independent European Central Bank System and European Central Bank, which will have the responsibility of issuing the Community's single currency, the ecu. This European Central Bank System and the European Central Bank will be established from the beginning of 1994;
- (ii) a set of rules for budgetary policies (no monetization of public deficits, no bailing out and obligation to avoid excessive public deficits).

A decision on the entry into the final stage of EMU shall be taken before 1998.

The intergovernmental conference on EMU is running parallel to the conference on political union. The relations between the two conferences must be very close. Questions such as the

Conclusions of the European Council on political union (Rome — 15 December 1990) The Twelve want to (i) increase the Community's democratic legitimacy by strengthening the role of the European Parliament and systematically involving national Parliaments; (ii) establish a common foreign and security policy; (iii) create a European citizenship, which would imply civil rights and complete freedom of residence;

(iv) extend the Community's competence in the specific areas of social affairs, the environment, research, energy and infrastructures; and (v) improve the effectiveness of the EC's institutions by strengthening the European Council and Commission and extending majority voting in the Council of Ministers. (For details on economic and monetary union — EMU — see *Target 92*, Nos 10-1990 and 1-1991.)

equilibrium between the institutions, democratic accountability and the role of the European Parliament and the efficiency of the institutions' decision-making procedure are all questions that will be at the centre of the discussion in both conferences. But to change the Treaty of Rome will not be enough. Economic policies and situations in Member States must be brought in better line with each other. This will require a significant amount of adjustment on the part of Member States. The scale of the adjustment will not be insurmountable however, and with a joint effort it will be possible to establish EMU in the second part of the 1990s.

It must be remembered that only an economic and monetary union, with a single currency, will make it possible to reap the full benefits of the single market process. Furthermore, EMU will itself provide possibilities for an increased sustainable economic growth rate, the basis for improvement in the employment situation, for strengthening economic and social cohesion and for further political integration in the Community.

■ A European system of excise duties

The aim of the European system of excise duties adopted by the EC Council of Ministers on 17 December is to put an end to border checks on alcohol, tobacco products and petrol, even while guaranteeing the Member States in which these products are consumed against any loss of tax receipts. From 1 January 1993 the products in question will not be subject to excise duties while they are being transported from one Community country to another; these special taxes will be paid when they are retailed. Private individuals will be able to buy cigarettes, alcoholic beverages and petrol in the country of their choice, and at prices which are inclusive of all taxes. As for traders, they will have to get themselves registered with the authorities in order to take advantage of the new system, as otherwise they will have to pay the excise duty. The Twelve had concluded a similar agreement on VAT on 3 December, although with one important difference: the system for excise duties will be permanent, while the VAT agreement will be in force until 1996 (see *Target 92, No 1-1991*). In both cases the Twelve have yet to transform their agreement into a 'European law' and, above all, find a solution acceptable to everyone as regard the rates at which these taxes are to be levied. The fact is that the differences among the Twelve are substantial. VAT rates, for example, range from a maximum of 12 % in Luxembourg to 38 % in Italy.

■ The borders come down for SAD and TIR

The Single Administrative Document (SAD), which accompanies goods being transported from one European Community country to another, was a great improvement over the 130-odd forms which it replaced when it was introduced in 1988. But there will be no room for the SAD in the single market; hence the decision of the EC Council of Ministers of 20 December, which does away with it from 1 January 1993 in the case of goods of Community origin. From that date no customs documents will be needed for goods traded between the member countries. Moreover, from 1 January 1992 — that is, a year before the deadline for the single market — lorries with the white-and-blue TIR emblem (the French acronym for international road transport) will be exempted, when crossing the EC's internal frontiers, from all the special formalities laid down in the International TIR Convention, drawn up in 1975 under UN aegis. The Twelve adopted a 'European law' along these lines on 13 December. At the same time they also decided to end the special formalities which apply to goods in transit within the EC, under the International ATA Convention on temporary imports. All these measures must go before the European Parliament before they can become law.

■ European high-speed trains on course

The future European network of high-speed trains is taking shape. The EC Council of Ministers approved an overall plan for the year 2010 at its meeting on 17 December. Drawn up in conjunction with the national authorities, the railways and the manufacturers of railway equipment, this master plan provides for the construction of some 9 000 km (5 600 miles) of new track, on which speeds of up to 350 kph (220 mph) could be reached. Another 15 000 km (9 300 miles) of track would be upgraded, to take trains running at more than 200 kph (125 mph). Finally, the main lines would be linked by some 1 200 km (750 miles) of track. The master plan also shows 15 'key links' located for the most part in border areas. While they do not appear in any of the projects already on the drawing boards or under implementation, they are essential if the network is to have a European dimension. The Twelve have asked the European Commission to go deeper into the present study on the profitability and the financing of these links, which should be completed by the end of this year. Finally, the plan adopted envisages the technical harmonization needed to allow high-speed trains to use the entire European network. The Community of European Railways, which brings together the railways of the 12 EC countries, Switzerland and Austria, fully supports the conclusions reached by the transport ministers

■ New 'clean' cars for 1992

In 1992 European cars with engines of over 1.4 litres will be as 'clean' as the smaller members of the family. The EC Council of Ministers agreed on 20 December to extend to these more powerful cars the anti-pollution standards they adopted in June 1989 for the smaller ones. These standards, which relate to toxic exhaust emissions, are stricter than the corresponding American standards. They will apply to all new models from 1 July 1992 and to new cars in existing models from 31 December 1992. As from now the 12 Member States can grant tax incentives to encourage the purchase of cars which already meet the new standards; and from the end of 1993 the Twelve will have the right to grant fresh incentives in relation to the even stricter standards to be adopted by the EC Council of Ministers in 1993. They will come into force from 1996, depending on the technical progress made at that time. The Twelve will thus avoid the distortions which could result if one or more EC countries were to adopt fiscal incentives in relation to American standards.

■ Measures against organized crime

The Twelve will not allow the single market to be used by the drug traffickers and organized crime in general as a source of supply and a place where they can recycle their ill-gotten gains. To this end they have adopted two measures, the first of their kind in the European Community. To begin with the EC Council of Ministers adopted on 13 December a 'European law' which provides for the monitoring of the foreign trade in precursors. These are the 12 chemicals, including acetone and alcoholic ether, used primarily in the manufacture of such everyday products as glues, paints and varnishes; but they can also be used to process cocaine, heroin and LSD for the market. The new 'law' is based on an international convention which the EC signed in October 1990; it particularly authorizes a ban on exports to suspicious destinations. The Council also agreed on 17 December on the contents of a Directive ('European law') aimed at preventing drug traffickers and other criminals from using European banks to launder their money. This Directive has yet to be examined by the European Parliament. It would come into force on 1 January 1993 and would make it possible to identify any customer who deposits more than ECU 15 000 (approximately UK £ 10 500/IRL 11 550) with a bank or other financial institution. These institutions would be required to inform the authorities of any evidence in their possession. The latter would have to make provision for penalties for breaches of the law.

■ Compensation for 'extra' passengers

Passengers who are victims of overbooking on scheduled airlines will enjoy substantial, Community-wide protection from this year. The EC Council of Ministers reached agreement on very precise rules on 18 December. They provide for compensation of ECU 75 to ECU 300 (ECU 1 = UK£ 0.70 or IRL£ 0.77) depending on the time lost by the passenger and the length of the flight. The rules stipulate that children travelling alone and the elderly in particular will have priority in boarding an overbooked flight, while those holding complimentary tickets, for example, will have to wait for a later flight. Airlines will also have to provide stranded passengers with meals and hotel accommodation if needed, and offer them the choice of a refund or a seat on a later flight.

■ ECU 200 million for the audiovisual industry

The Media programme, adopted by the EC Council of Ministers on 21 December, will help the audiovisual industry adapt to the single market at every stage, from the first creative spark to the distribution of the finished product. Media (the French acronym for 'Measures to encourage the development of the audiovisual industry') was launched on 1 January of this year with a budget of ECU 200 million for five years. A follow-up to the experimental Media programme launched in 1987, it will make it possible to cofinance a wide range of activities, including the development of new distribution channels for films and videocassettes; the use of new technologies in the production, dubbing and subtitling of television programmes and the use of film and television archives.

WOMEN AND THE SINGLE MARKET

1992 means opportunity... but it also means uncertainty and quite a lot of it! Particularly if you happen to live on the fringe of the Community, and work in a sensitive sector. And women, who currently represent 38 % of the Community's working population, are unlikely to escape.

The authors of the Cecchini report, which spells out how Europeans will benefit from completion of the single market, were wise enough to make it quite clear, albeit between the lines, that although 1993 will supposedly produce economies of scale — a plus in the prosperity stakes — everyone will not necessarily be in clover as a result. The European Commission realized that it would not automatically be fair shares for all and has made a move to offset the less salutary effects of integration of the 12 national markets by recasting the structural Fund policy and strengthening the social policy programmes.

But female labour is less well-equipped than any other socio-professional category to face up to and survive the challenges of deadline '92. This does not mean that women will be the waifs and strays of the single market. Far from it! Definite opportunities will be there for the taking. And the Commission has fully understood this. It intends to spur on all its partners — Member States, trade unions and women's organizations alike — to provide the support in terms of time, space and money, that women will need if they are to make the adjustments necessary in order to derive full benefit from the single market. Quite apart from the fact that it also intends to put its own house in order with firmer action in favour of women.

Non-standard employment

Women are now a force to be reckoned with in the Community. Of the 140-million-strong labour force, 52 million are women. And according to the latest official statistics 74 % of them work in the service sector. The highest concentration of women is to be found in education, health care, the hotel and restaurant trade, banking, insurance and estate agencies. The single market, when it arrives, will very likely be accompanied by a rapid growth in services. And this should work to the advantage of women. Although women hold 38 % of all jobs in the Community, they are frequently to be found in non-standard forms of employment working under less favourable conditions than men. For instance, 28 % of women work part-time. Non-standard employment, though widespread — some 24 million people in the Community, a majority of them women, are reportedly involved — is still not protected or regulated as normal jobs are. So in June 1990, in its concern to bridge this gap, the European Commission adopted three proposals for Directives on part-time employment, temporary employment and other non-standard forms of employment as part of its action programme to implement the Charter of Fundamental Social Rights.

Furthermore, the barriers to employment are greater for women than for men and disparities in pay still wide. In the Community as a whole men are paid 25 % more than women in manual jobs in industry.

The impact of 1992 on industry has already begun to show and this should continue. Virtually all the sectors which have not yet begun to revamp their production machinery will have to do so. At best, this means that a number of people will have to be retrained; at worst that they will have to go on the dole. Women are most densely concentrated in two industrial sectors: heavy industry, where they represent 10 % of the labour force; and textiles and clothing, where they occupy 75 % of the jobs.

Some sectors of heavy industry have already completed their restructuring; others have not. And it is in those which have not that women, and men too, may well find themselves on the sidelines, unless the Member States make strenuous efforts to facilitate change as they did previously for the iron and steel industry.

Finally, women represent only 8 % of all those working in agriculture. Agriculture is not directly concerned by the creation of the single market. But it will be affected by the welcome of the Uruguay Round. All Europeans, men or women, will be in the same boat!

Tradition and working life

Quite apart from the repercussions of the single market on working life, depending on the field in which they are working, women are dogged by an age-old prejudice, a handicap without parallel, rooted deep in tradition. Despite the sexual revolution, the pill, their struggle for access to school, to university, to better jobs, women have difficulty assuming roles other than those in which society has traditionally cast them, namely those of wife and mother. The basic problem facing women today is how to reconcile the responsibilities of home life with those of working life, to defeat the system which allocates jobs according to sex and not to personal merit or professional skill. And certain Member States have done precious little on this front to develop an environment congenial to a change in attitude. The dearth of nursery facilities and child-minding centres is doing much to perpetuate the stereotypes. Aware of this, the European Commission has launched pilot projects through the structural Funds in an attempt to discover the best way of reconciling the life of the child and that of its parents.

The European Commission has already done its bit by helping set up several programmes, aimed particularly at improving the situation of women by helping them fit into the labour market better. One example of this is the network of local employment initiatives (LEI) which give financial help for launching a business or other job-creating ventures; another is the IRIS programme, a Community-wide network of demonstration projects for the vocational training of women; which now encompasses some 252 programmes training some 15 000 women in the Member States. It goes without saying that women benefit from all the other Community programmes also, such as ERGO (long-term unemployment); Petra (the preparation and training of young people for adult and professional life) and Erasmus (student mobility) among others.

But the real chance for women, as we approach the turn of the century, is that the Member States are going to have to manage the population trend and the human resources if they are to maintain industrial competitiveness and avoid the resultant strains on the labour market. They will have no choice but to rethink their employment policy and their family policy. In short, women will be their only answer to the falling birth rate and the dwindling young labour force, even though today they are more frequently out of work than men and for a longer period.

A threat on the horizon...

Another factor to be reckoned with: in the Community only 50 % of the population of working age is in employment, compared with 60 % in the United States and Japan. The reason why the Community is trailing behind is underemployment among women. Consequently, if it is to have the resources commensurate with its ambitions, Europe will have to invest in women and in training them.

Concern at the declining Community birthrate and at the shortage of skilled labour in some sectors has prompted the European Commission to take action to increase the number of working women and provide them with a better environment. Since setting the deadline of 1992, it has decided to focus on this area.

As the Community executive the Commission intends to press on with its legislative work to bridge the existing gaps. In September it presented a proposal for a Directive on the protection at work of expectant or new mothers, which will have wide application, for the proportion of women of child-bearing age in the 12 Member States stood in 1986 at 82 % of the female labour force.

This proposal rounds off the other five Directives that have been adopted on equal treatment, equal pay and social security constituting a legislative framework that has done much to strengthen individual rights and promote significant change in employment and social security procedures and conditions. Using these Community instruments the European Commission has been able to institute infringement pro-

ceedings against Member States which are discriminating against women at work.

The leading role which the European Court of Justice has played, through its innovative interpretation of the concepts embodied in the directives on equality, must be underlined here. This jurisprudence, which constitutes an important corpus that can be referred to, has made a decisive contribution to the change for the better in attitudes towards women.

Successive Commissions had been aware, as early as 1975, that drafting laws and monitoring their application was not enough to promote equality between men and women on the ground. Every effort had to be made to take practical action that would not only improve the situation of women but would also make the Member States, the two sides of industry, and sometimes even women themselves, more receptive. Hence the idea of establishing a special programme for women which would encourage the setting up of contact and exchange networks and foster the growth of information and awareness campaigns — with financial incentives thrown in! Vasso Papandreou, the European Commissioner with special responsibility for social policy, recently got the Commission to adopt the third action programme on equal opportunities for women, which will run from 1991 to 1995.

It opens up new avenues, even while strengthening certain principles and objectives contained in the two earlier programmes. The new programme is based on, among other things, the reinforcement of the partnership of the various actors — the European Commission itself, the Member States and, above all, management and labour — and of the complementarity of the initiatives undertaken by them.

Management and labour in fact will have to be more involved in the conception as well as implementation of the new policies in favour of equality.

The initiative NOW (new opportunities for women), for which some ECU 120 million have been earmarked, is one of the pillars of the third action programme.

More than ever before, the order of the day is the incorporation of the policy of equality of opportunity into every sector and agenda.

Framboisette Jassogne

STAGES IN EUROPEAN COMMUNITY ACTION FOR WOMEN

1957 The Treaty of Rome states 'each Member State shall ... ensure ... the application of the principle that men and women should receive equal pay for equal work'.

1975 The United Nations declared 1975 the International Year of Women.

On 13 February 1975 the Council of Ministers adopted the first Directive leading to the adoption by the Member States of the principle 'equal pay for equal work'.

1976 On 9 February a Directive was issued banning discrimination at work on the grounds of sex. It implied equal treatment for men and women as regards access to employment, vocational training and working conditions.

1978 The Directive adopted on 17 December was designed to bring about equal treatment in matters of social security.

1984 In December the Council of Ministers addressed a recommendation to the Member States in which they were urged to adopt a policy of positive action to eliminate *de facto* discrimination against women at work.

1986 A new Directive on social security, adopted by the Council of Ministers in July 1986, ensured equal treatment in occupational social security schemes.

In December the Council adopted the Directive on the application of the principle of equal treatment for women in self-employed activities, including agriculture.

1982-90 The Council adopted in succession two action programmes on equal opportunities, proposed by the Commission. The first (1982-85) made a significant contribution to progress in this field at European level.

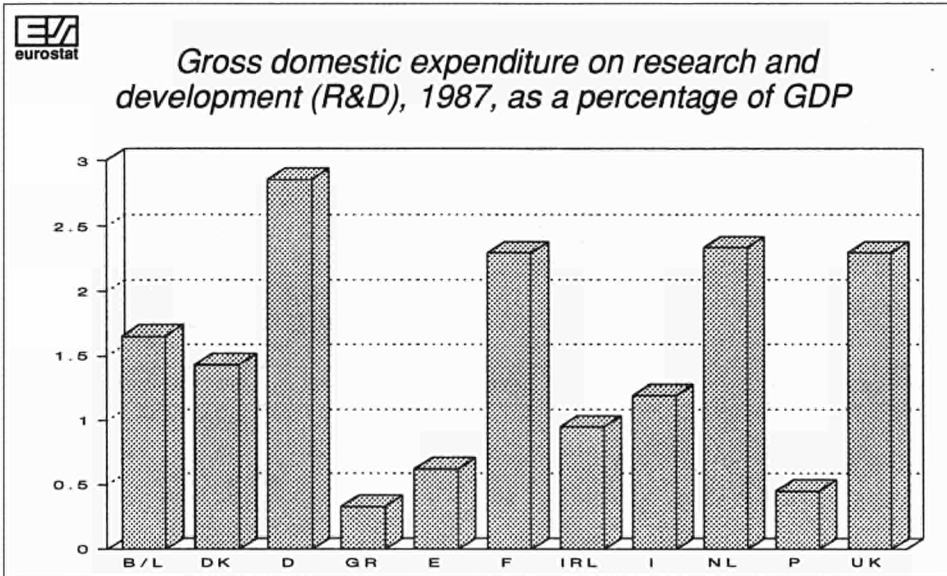
The second (1986-90) continued and reinforced action under way, especially with a view to adapting to economic and social developments and technological progress.

1990 In May the Council adopted a resolution on the protection of the dignity of women and men at work, to which will be added a 'code of conduct' drafted by the Commission.

In June the Commission adopted three proposals for Council Directives concerning part-time employment, temporary employment and other forms of non-standard employment as part of its action programme on the application of the Charter of Fundamental Social Rights.

In September the Commission adopted a proposal for a Council Directive concerning the protection at work of pregnant women or women who have recently given birth.

In October the Commission adopted the third action programme on equal opportunities for women (1991-95); objectives include the development of new initiatives in the field of vocational training and employment and the strengthening of partnership and complementarity in the case of operations mounted by the different parties involved (the Commission, the Member States and the two sides of industry) in favour of women.

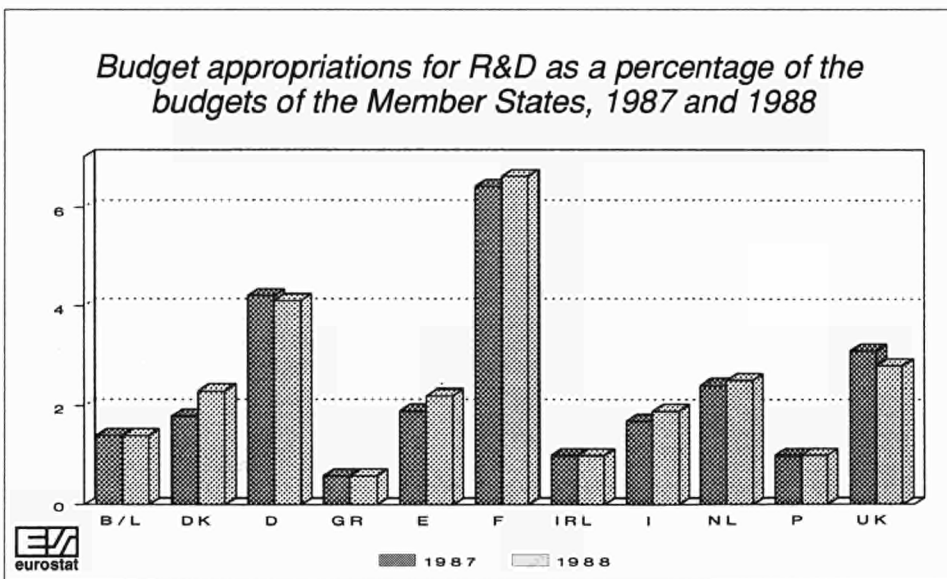


R&D in the economy

The Community devotes 1.96% of its GDP to R&D, which is less than Japan (2.67%) and the United States (2.91%).

The situation varies considerably from one Member State to another. Four spend more than 2% (Germany, the Netherlands, France and the United Kingdom), and two are well below the Community average (Portugal with 0.45% and Greece with 0.33%).

	B/L	DK	D	GR	E	F	IRL	I	NL	P	UK	EUR 12	USA	J
1987	1.65	1.43	2.85	0.33	0.62	2.29	0.95	1.19	2.33	0.45	2.29	1.96	2.67	2.91



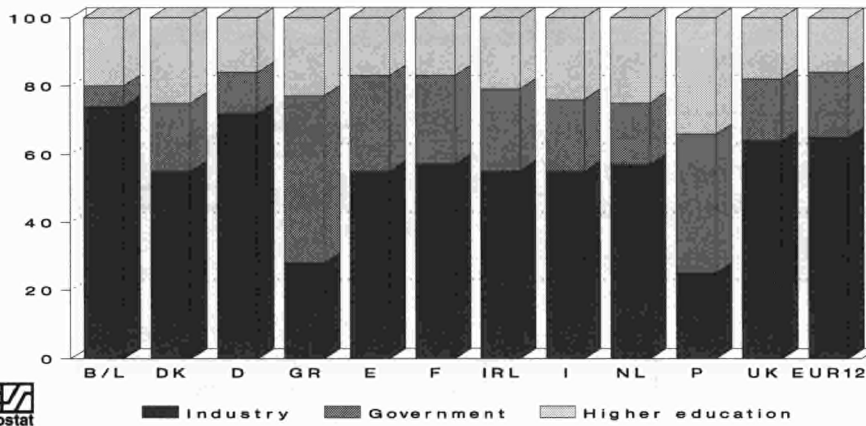
Government financing of R&D

France devotes the highest percentage of its budget to R&D (civil and military combined), followed by Germany. The greatest increase from 1987 to 1988 was in Denmark.

Per capita, budget appropriations for R&D are very low in Greece and Portugal, whereas France and Germany are well above the Community average.

	B/L	DK	D	GR	E	F	IRL	I	NL	P	UK	EUR 12
1980	49.8	42.3	109.7	4.9	9.0	98.7	17.9	22.8	85.7	:	73.9	62.5
1988	49.8	90.4	110.7	8.2	19.8	134.3	17.6	55.1	85.3	7.9	82.8	78.3

Gross domestic expenditure on research and development (R&D) by sector of research work



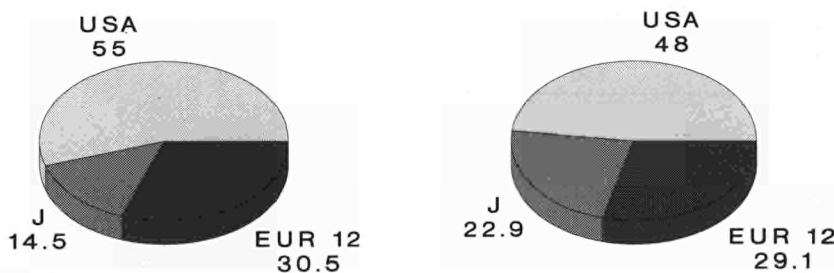
R&D by sector

In those Member States with a low R&D budget, the proportion of research work carried out by the government is preponderant (Greece: 49% of the total, Portugal: 41%) whereas the role of the government is marginal in Belgium, and low in Germany. In the latter country, most R&D is carried out by industry.

The proportion of work carried out by industry is lower in the EEC than in Japan or the United States, while the universities play a greater part in the Community.

	B/L	DK	D	GR	E	F	IRL	I	NL	P	UK	EUR 12	USA	J
Industry	74	55	72	28	55	57	55	55	57	25	64	65	72	70
Government	6	20	12	49	28	26	24	21	18	41	18	19	16	18
Higher education	20	25	16	23	17	17	21	24	25	34	18	16	12	12

Distribution of expenditure on R&D between the EEC, Japan and the USA, as a percentage of the total at current prices



R&D geographical structure

Total expenditure on R&D by the EEC, Japan and the USA (at current prices) rose from ECU 47.5 thousand million in 1977 to ECU 170.1 thousand million in 1978.

In the EEC as a whole the proportion is falling slightly (-0.7%). Japan's share rose from 14.65 to 22.9%, at the expense of the USA, whose share dropped from 55% to 48%.

	B/L	DK	D	GR	E	F	IRL	I	NL	P	UK	EUR 12	USA	J
1987	1.5	0.7	17.5	0.2	1.6	12.3	0.2	6.3	3.2	0.2	12.2	55.8	97.9	32.3

PPS (purchasing power standard): since exchange rates do not necessarily reflect the purchasing power of a currency on the national territory, Eurostat uses the PPS to eliminate general price differences among countries in order to improve the comparability of figures.

□ BRIEFLY

The EC Council of Ministers took a few more steps towards the **definitive system for the transport of goods by road** on 17 December, when it increased by 40% a year the quotas, or authorizations for transport between Community countries, for 1991 and 1992. The Council at the same time provided for additional authorizations to take account of German unification. While access to road transport will no longer be restricted from 1993, the Twelve have given the European Commission the necessary powers to restrict capacity in the event of a crisis — if supply exceeds demand.

In the single market, **workers whose employment is of fixed duration, as well as those temporarily employed**, will enjoy the same standards of health and safety at work as other workers. The EC Council of Ministers reached agreement on a 'European law' along these lines on 18 December. It now awaits examination by the European Parliament.

Computer programmes will be treated in the same way as literary works for the purposes of copyright. A 'European law' agreed on by the EC Council of Ministers on 13 December will protect original programmes during the lifetime of their author and for 50 years after his death. The latter alone will have the right to authorize the reproduction and distribution of his programme to the public.

A 'European law' which the EC Council of Ministers agreed to on 13 December will put an end to checks on firearms by the police at the European Community's internal frontiers. Under the new law, which now goes to the European Parliament, the **purchase and detention of firearms will be controlled**. Gunsmiths will need government authorization. They will have to keep a detailed record of all firearms passing through their hands, and will not be able to sell firearms which are subject to authorization freely. A European firearms card will allow Europeans to buy arms in another EC country than their country of residence.

Digital cordless telecommunications systems, especially for telephones and data transmission, will be European straightaway, thanks to the use of common standards and range of frequencies. European Community Ministers adopted two texts along these lines on 14 December.

Ministers from the 12 EC countries adopted **procedures for assessing the conformity of industrial products** on 13 December. They will make it easier to adopt Community legislation on technical harmonization in the future.

In the single market, **veterinary checks on products imported from third countries** will be carried out on the basis of common principles and organized in the same way in all 12 Member States. This is the aim of a 'European law' adopted by the EC Council of Ministers on 10 December, in order to complete the measures already taken to eliminate checks at the Community's internal borders.

From 1 October 1991 the maximum length of **heavy duty lorries or road trains** can be increased from 18 metres (59 feet) to 18.35 metres (60.2 feet), while the driver's cab can have a minimum length of 2.35 metres (7.7 feet). European Community Ministers managed to reconcile safety with comfort when they agreed to these measures on 17 December.

To encourage the **development of combined road-rail transport**, the EC Council of Ministers reached agreement on 17 December on a 'European law' which provides greater access, without regard to nationality, to the section of the journey by road. These sections will be exempted from any compulsory tariff regulations.

The liberalization of air transport is to be extended from passengers to freight. European Community Ministers adopted on 17 December a 'European law' which introduces freedom to set rates and to advertise them. It also provides for the opening up of national transport to companies from the other Community countries.

The European Commission accepted on 6 December the statutes of a European Economic Interest Grouping (EEIG) made up of seven medium-sized wholesalers of pharmaceutical products located in seven different countries. Although the statutes contain restrictive provisions, which are contrary in principle to the Community's competition rules, the Commission takes the view that an EEIG of this nature provides **an example of cross-border cooperation between small and medium-sized businesses** in the run-up to 1992. The EEIG has its own central purchasing office and common trade marks.

The less developed areas of six European Community countries will receive a total of **ECU 300 million** from the Community budget, between now and 1993, **to bring in gas and electricity**. Thanks to Regen (regions — energy), the regional aid initiative adopted by the European Commission on 4 December, natural gas will be more widely available in Ireland, Northern Ireland, Italy, Greece, Spain and Portugal while electricity networks will be linked up in Greece and Italy.

European Community Ministers reached agreement on 18 December on a 'European law' which will make it easier and cheaper to **transfer merchant shipping registered under national flags to another register within the Community**.

INITIATIVES

● Making customs officials more European

From 1 January 1993 customs officials throughout the European Community will be working more for the EC as a whole than for their own governments. The change in fact has already begun. To help customs officials learn at first hand about the European dimension of their work, the European Commission launched in 1989 a pilot training programme, baptized Matthaëus — Matthew in Latin and German, in a reference to the tax collector who authored one of the four gospels. As many as 578 customs officials have already taken part in the programme; but the Commission wants to do more: it has proposed a three-year programme to the Twelve, starting during the first quarter of this year. It would be open to all customs officials entrusted with Community procedures or taking part in the fight against fraud, as well as to those training them. The new Matthaëus programme will include lectures on the European Community, intensive language training and exchanges of officials, thanks to customs offices which have been twinned.

○ BRIEFLY

An 8-member committee was set up in mid-December of last year, at the initiative of Christiane Scrivener, the European tax commissioner. It will spend a year studying **the needs of businesses in the single market in the field of taxation**. The committee, whose president is Onno Ruding, the former Dutch Finance Minister, will see if the differences between the laws of the Member States distort competition and, if so, what steps must be taken at the Community level.

The European Commission proposed a work programme to the Twelve on 5 December, aimed at **ensuring the protection of copyright and other related rights** held by performers, record manufacturers and radio and television companies in the single market. It is a question, on the one hand, of harmonizing the payments granted by the Member States for private copies of works and loan and rental fees and, on the other, getting the Twelve to subscribe to the international conventions dealing with copyright. The rights in question account for between 3 and 5% of the European Community's gross domestic product (GDP).

SEEN FROM ABROAD

► Swedens Parliament favours membership

The Swedish Parliament voted on 12 December in favour of the country's membership of the European Community. Voting was 198 to 105, with 26 abstentions. Some of the opposition parties voted against the motion tabled by the party in power, because they found it too lukewarm *vis-à-vis* the Community. The Swedish Government had already announced in November that it will be seeking membership in 1991.

SMEs

◆ Interprise: To encourage partnership

In the framework of business policy the European Commission would like to encourage European businesses and service companies to collaborate with each other. A new pilot project, baptized Interprise, has been launched with the aim of supporting activities at the local, regional and national levels, which seek to stimulate contacts between entrepreneurs and to get small and medium-sized enterprises (SMEs) to work together.

This specific programme must involve at least two regions in the Community and must be implemented by at least one body in each participating region or country. The Interprise programme covers the entire territory of the Community, and brings together regions which are located on both sides of a border, which have a similar industrial infrastructure, whose economic make-up is comparable or complementary, etc.

Geographic regions apart, the programme can also be of interest to specific economic sectors or to specific subjects (technology, environment and finance, for example). These activities will be undertaken and organized at the initiative of chambers of commerce and industry, development agencies, the Euro-Info-Centres, research institutes, consultants and various other bodies servicing businesses.

Drawing its inspiration from the Europartenariat programme, Interprise must follow a number of steps:

- (i) identify and select enterprises in the regions in question, which are interested in entering into a cooperation agreement with an enterprise located in another participating region. The results of this operation will be set out in a catalogue;
- (ii) actively look for enterprises in the regions concerned;
- (iii) undertake the organization of a fair or conference, within whose framework direct contact will be established between interested businesses from the participating regions.

This action will make use of all the Community instruments which provide support to businesses, the Euro-Info-Centres, the 'Marriage' bureau and the Business Cooperation Network (BC-Net) in particular. Support can be in the form of the grant of a stamp of quality or

the provision of financial or technical assistance. Besides, a programme which brings together two Community regions and/or countries could be extended to a non-EC region or country.

The Commission will also envisage giving its support to events such as a symposium or forum, given that they encourage cooperation in all its forms. They will effectively complement similar activities undertaken in the framework of the Sprint programme — investment forums and technology transfer days.

◆ Euromanagement: Assessing research and technological development

Euromanagement is a pilot project aimed at small and medium-sized enterprises (SMEs) that develop or use new technologies. Its goal, through 'audits', is to evaluate and enhance the means at the disposal of SMEs to undertake cross-border technological cooperation in the framework of Community-sponsored activities in the fields of research and technological development.

Priority will be given to SMEs located in regions which are either economically backward or face industrial decline. However, the Commission could include within the Euromanagement pilot project regions of the Community where there is a real need for intervention in favour of innovative SMEs.

Assessments of the research and technological developments to be found in innovative SMEs will be carried out by business consultants specializing in innovation as well as regional development agencies, enterprise centres, agencies for the enhancement of research and technology transfer centres. Organizations belonging to such networks as BC-Net, the Euro-Info-Centres, EBN, Sprint and Value could also take part.

The selection will be made through invitations to tender. The consultants who have been chosen will have to carry out such assessments in 10 SMEs that they will have already identified as the most likely to profit from the pilot project in its intervention zone.

The consultants will be told how to make their assessments, half the cost of which will be met by the European Commission. The balance will have to be met by the local, regional or national partners approached by the business consultants at the start of the selection procedure.

◆ A European investment guide for Japan

The Japanese market is of strategic importance to European companies, especially small and medium-sized ones. Direct investment is necessary in many cases to ensure long-term success on this market. This guide describes the various steps to be followed by companies which have decided to invest in Japan. It also describes the potentialities of each region and briefly surveys the various investment incentives on offer. Copies can be had by writing to Mr Olivier Dandoy at the following address: Commission of the European Communities, Directorate-General for External Relations, Japanese Section, 200 rue de la Loi, B-1049 Brussels, Belgium.

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