



COMMISSION
OF THE EUROPEAN
COMMUNITIES

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THE WEEK IN EUROPE

Andriessen's visit to CIS. Commission Vice-President Frans Andriessen reported to European Community Foreign Ministers on Monday on his trip to Byelorussia, the Ukraine, Uzbekistan and Kazakhstan where he held talks with key ministers. Andriessen said the political situation in the independent states was disquieting. Democracy had not yet taken root and despite the elections, the old power structure remained in place in most states albeit with new faces, party names and programmes. Ministers broadly endorsed the call by Andriessen for the Community to extend EC ties to all members of the Commonwealth of Independent States - in Asia as well as in Europe - and to relax conditions which have so far blocked the 1.25bn (£887m) food aid loan to the CIS. Andriessen also said that the EC should show the world a lead in stabilising the longer term economic future of the CIS. Specifically, the EC should discuss widening the scope of aid to the CIS at a conference which it will chair in Lisbon in May to deal with structural, not just emergency aid. After visiting the four republics last week, Andriessen told ministers that Central Asia and Kazakhstan "are so interdependent with the other former Soviet republics that they will stand or fall together." Andriessen pleaded with Ministers not to let food aid get caught up in red tape. The Community should be ready to waive some of the guarantees it has been demanding for its food loan. He plans further visits to the CIS shortly.

The EC and Estonia. On 27 February, delegations of the European Community and of the Republic of Estonia initialled an agreement on trade and commercial and economic cooperation, the first since Estonia's independence was recognised by the EC in August 1991. The delegations were headed by Lennart Meri, Estonia's Minister of Foreign Affairs, and by John Maslen of the Directorate-General for External Relations in the Commission. Similar agreements exist with Lithuania and Latvia.

Prince Charles saluted. Commission vice-President Martin Bangemann praised Prince Charles for his support this week for traditional cheeses made from unpasteurised milk. Bangemann, who is responsible for clearing the way for the single market, said he would write to the Prince of Wales to thank him for his efforts to preserve culinary diversity in Europe. In the past, he said, the UK in particular had attempted to make imports of French cheeses made from raw milk subject to stringent hygiene regulations. The Commission had resisted this at the time and merely required the information to be supplied on the label. Certain minimum standards of hygiene were of course indispensable, Bangemann said in Brussels. "We want the bacterial count in milk used for cheesemaking to be carefully monitored...the 'good' bacteria should be kept," he added. "After all we do not want synthetic cheese."

Brittan on Competition Policy and Regional Development. Speaking to the Annual Conference of the Confederation of Irish industry in Dublin on 28 February, Commission Vice-President Sir Leon Brittan stressed EC support for Irish regional and industrial development and the need for sound economic policies to prepare for Economic and Monetary Union. He referred to recent Commission proposals to double spending from Community sources (including the new Cohesion Fund) and the role that a strong competition policy can play in helping to bring about cohesion. Sir Leon also spoke of the positive contribution which EC competition policy can make to cohesion. Strict control of state aids in the central, more prosperous regions is necessary in the interests of cohesion as well as competition.

New EC Head in Belfast. Jane Morrice is the new Head of the European Commission's office in Belfast. She takes over the position from Dennis Kennedy who left last September. Jane Morrice spent the last five years working as a TV and Radio reporter for BBC Northern Ireland. Before that she spent 7 years as a journalist in Brussels specialising in EC affairs. Belfast born, she is married and has a young son.

Famine in Africa. A coordination meeting on food needs in African countries held in Brussels on 27 February brought together representatives of international organisations, non-governmental organisations and of individual states. It was convoked at the initiative of the United States Agency for International Development and hosted by the Commission. Most of the major donors involved in relief programmes in Africa were present: the Commission and EC Member States, Australia, Austria, Canada, Switzerland, Norway, Sweden, Finland, USA, the World Food Programme, the UN High Commission for Refugees and other relevant UN agencies, and the International Committee of the Red Cross.

Marin on southern Africa. Speaking at a seminar in Lisbon last week, Commission Vice-President Manuel Marin said the Commission and Member States had been providing about 40% of official development assistance to Angola since the mid 80's. The Community and its Member States had also been providing, since the ceasefire, strong and sustained political support to the peace process. Marin said that through the Community's Special Programme for South Africa, 170 million ecus (£119m) have been provided since 1986 for more than 400 projects. This year's contribution has been increased to 80 m ecus (£56m), demonstrating the Community's will to support the most vulnerable layers of society.

The European Economic Area. Vice-President Frans Andriessen has confirmed that the Commission has requested a further opinion from the European Court of Justice in Luxembourg on the contentious legal tangle surrounding the creation of the European Economic Area. On 19 December last year the Court ruled that the new proposed union between the EC and the seven EFTA countries was invalid because of the ambiguous role of the judiciary in settling disputes. Following further talks between the EC and EFTA the Court has been requested to look at the issue once again.

Warning for UK Atomic Authority. The Commission has issued a warning to the UK Atomic Energy Authority for a breach of the provisions of Article 79 of the Euratom Treaty and several articles of a Commission Regulation. On 3 December 1991 The UK Atomic Energy Authority Dounreay provided the Euratom Safeguards Directorate with the final results of their physical inventory taking in the uranium scrap/residue recovery plant. These results showed a significant difference between the physical stocks and the book stocks for highly enriched uranium. But because of the unintentional nature of the infringement and the fact that the operator has fully informed Euratom about the results of the inventory taking and the significant follow-up actions taken, the Commission decided to apply a warning, the least severe sanction under the Treaty.

The Commission and UK tractors. Following an investigation lasting a number of years the Commission has adopted a decision forbidding a system of exchanging information about sales and market shares for agricultural tractors sold in the UK. The most important manufacturers took part in the exchange which was set up in 1975. The Commission judged that competition was restricted by the identification in detail of the sales of each participant in this highly concentrated market without any appreciable competition from outside. The information exchange posed two important risks for the maintenance of healthy competition: elimination of hidden competition in that it gave participants a degree of knowledge of the performance of others; and a reinforcement of the barriers to entry into the market.

The ozone layer. The Commission has approved a Communication to the Council putting forward proposals for adjustments to the reduction schedules of ozone depleting substances and on the control of transitional substances. Based on the work of the UNEP Technology and Economic Assessment Panel, the Commission is proposing that production and consumption of CFCs, other fully halogenated CFCs, halons, carbon tetrachloride and 1,1,1-trichloroethane should be cut by 85% by 31 December 1993, and that complete phase-out of all depleting substances in the Community should occur by 31 December 1995. The Communication will be discussed during the 23 March Environment Council.

Conference and Diary Dates

European Week for Business. 23-27 March. Organised by the European Information Centres of the Commission to help small and medium sized businesses. The 27 EICs in the UK will be taking a full part in the Week which is taking place simultaneously across the EC.

Advertising in Europe - coping with the legal restrictions 27 March London's Mayfair Hotel one day conference organised by Euro Conferences with Bird & Bird solicitors. Aimed at Marketing and advertising executives, lawyers employed in industry and private practice. Details: 0273 483 396.

Towards fiscal federalism? A seminar organised by the Federal Trust together with the UK office of the Commission. 30 March at Jean Monnet House, 8 Story's Gate, London S.W.1. Speakers include the Rt Hon Sir Michael Palliser and Joly Dixon, Advisor to Commission President Jacques Delors.

Topic '92: Public Affairs in the European Union. Conference organised by the European Centre for Public Affairs. 8-11 April at Templeton College Oxford. Information from Adrienne Pratt, Templeton College, Oxford. Tel: 0865-735422. Fax: 0865-736374.

1992: The future of European industry. Major conference organised by the Centre for Business Economics at the European Business School, London. 2 April at the European Business School, Regent's Park, London. Details from Richard West, Short Courses Manager, the European Business School, Regent's Park, London. Tel: 071-487-7419.

Alternative Financial Centres in Europe. A major pan-European conference to be held on 9-10 April in Dublin. Venue- Dublin Castle, Ireland. Details: 081 332 0044. FAX 081 332 0874.

Our next briefing will take place on Thursday 12 March at 11.30 am.