



COMMISSION
OF THE EUROPEAN
COMMUNITIES

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THE WEEK IN EUROPE

Delors meets Major. Commission President Jacques Delors and his closest advisors flew into London on Tuesday for a working dinner in Downing Street with Prime Minister John Major who takes over the European Community Presidency on 1 July. The talks, ahead of the Lisbon summit this weekend, centred on UK plans for the Presidency which will place emphasis on completion of the Single Market, enlargement of the EC to include EFTA applicants and prospects for ratification of the Maastricht Treaty. At his traditional eve-of-summit press conference in Brussels yesterday (Wednesday), Delors said he hoped that not only enlargement would figure on the agenda for the next few months, but also agreement on the Delors 2 Package on the future financing of the Community. He also returned repeatedly to the theme of subsidiarity - by which decisions should be devolved to the lowest level possible - but added that he hoped it would not be used as a weapon against the Commission's powers. Delors said these were often exaggerated.

48-hour week. Social Affairs Ministers are reported to have reached a political compromise in Luxembourg early today over the controversial Commission proposal to enforce a maximum working week of 48 hours for everyone in the Community. Ministers are also said to have found common ground on the suggestion that Sunday should be declared a normal day of rest. UK Social Affairs Minister Gillian Shephard contested both proposals. Final details of the agreement are now being worked out and will be presented to Ministers during the UK Presidency.

Irish referendum. The Republic of Ireland voted 69% to 31% in favour of ratifying the Maastricht Treaty last week. Welcoming the Irish vote, Delors said the country had chosen full participation in the construction of Europe, instead of isolation. The ratification process gave every citizen a unique opportunity to play a role in the future of Europe. Earlier Denmark narrowly voted against ratification.

Air liberalisation. Europe's air travellers are set to enjoy lower fares from next year after EC transport ministers agreed on further liberalisation of Community airlines at a lengthy meeting in Luxembourg on Monday. Under the agreement, carriers from one Member State will be free to offer domestic services in any other EC state in direct competition to national carriers so long as the flight forms part of a longer route. The deregulation proposal comes under the Commission's third package of air liberalisation and is seen as vital to the Single Market. Deregulation will take place over four years starting on 1 January 1993. However, certain Community-level safeguards will protect the environment, prevent over-stretching of airport infrastructure and ensure adequate services on lesser-used routes.

Environment awards. Three innovative UK projects were "highly recommended" in this year's European Better Environment Awards for Industry announced in London on Tuesday by the Minister of State for the Environment, David Maclean. The four top prizes went to schemes from Italy, France, Portugal and the Netherlands. The award scheme, dating back to the EC Year of the Environment in 1987 and jointly run by the Commission and the United Nations, has built up an enviable reputation in terms of industrial prestige. British commendations included BP's Wytch Farm Oilfield near Poole Harbour, BP Chemicals' bio-degradable de-icer and University of York and Contract Chemicals' new form of catalyst.

Architectural awards. Hastings pier and the Sheldonian Theatre in Oxford are among 44 architectural treasures to receive funds for restoration from the Commission's annual heritage awards. Some 959 projects competed for a share of 3m ECUs (£2.1m) in this year's scheme whose theme was the rehabilitation of monuments within their surroundings. The Commission's initiative is also designed to encourage the restoration crafts and professions which can give impetus to regional and cultural tourism and job opportunities. Other UK projects receiving funds are: "The Slopes" in Buxton; Bristol Cathedral and Square Chapel, Halifax. EC Cultural Affairs Commissioner Jean Dondelinger will present the awards in Brussels later this year when there will be a photographic and audio-visual exhibition of the projects.

Britain's children. Some 13 million British children are worse off than their European counterparts in terms of infant mortality, poverty, life expectancy, broken families and custodial sentences according to a report from the National Children's Homes (NCH). In a study released yesterday (Wednesday), the charity claimed 3 million children live in "poor" families, a figure exceeded only in Ireland and Portugal.

UK prisons contain a far higher percentage of young people (24%) than in other EC States. The UK Government Department of Health immediately dismissed the findings. For information on the NCH study, contact Caroline Hope on 071 226 2033.

School pupils fail. Nearly a third of pupils in some Member States leave school without adequate qualifications to take up a career, according to a report studied by government education officials from the Twelve. They met in Brussels on Tuesday to discuss ways of encouraging pupils to stay on beyond the national statutory leaving age in order to improve their job prospects. The Commission is starting a pilot programme under Eurydice, the EC's information network in education, which it hopes will produce an action plan to fight the drop-out rate.

EIB funds energy networks. UK gas will be fed into European networks for the first time at the end of this year when a pipeline funded by the European Investment Bank (EIB) becomes operational. The Markham gas field, straddling the Dutch and British sectors of the North Sea, will be tapped as a joint venture between the two governments. The EIB is lending 13m ECUs (£9.1m) for the construction of the 85 km pipeline to Den Helder in the Netherlands as part of the EC's programme to improve trans-European energy networks, which became a priority in the Maastricht Treaty. Last year energy projects accounted for around 23% of the bank's total lending in the Community.

Chernobyl contamination. The European Commission is to assist former Soviet republics neighbouring the defunct Chernobyl reactor to carry out extensive research into nuclear contamination. Research and Development Commissioner Filippo Maria Pandolfi signed an historic agreement on Tuesday with Russia, Byelorussia, and the Ukraine pledging 4m ECUs (£2.8m) for pilot research projects and information exchange on radioactive contamination. The Commissioner said that the agreement testified the importance the Community attaches to developing cooperation with the countries of Eastern Europe. The Community assisted the Soviet Union in the immediate aftermath of the Chernobyl incident, but the present political climate allows far greater collaboration on environmental decontamination and research into the long-term health effects.

Company taxation. The Commission has just adopted a communication to the Council on guidelines for company taxation in the Single Market. The guidelines stem from the Ruding Committee, set up by the Commission to investigate ways of reducing double taxation across the Community. The Commission now plans to consult Member States on the principle and level of a proposed minimum Community rate for corporation tax and systems of tax incentives.

Public procurement. A Single Market in public procurement is nearing completion after Ministers at last week's Internal Market Council adopted the Public Services Directive. By the end of 1993 all public authorities, spanning local and regional government and other bodies such as railways, will have to buy services on a commercial basis regardless of the nationality of the supplier. The crux of the Directive, which consolidates existing rules on public works contracts, is the political agreement to open up contracts awarded by utilities in water, energy, transport and telecommunications. These industries will have to buy in such diverse services as advertising and maintenance after competitive bidding. Public procurement accounts for around 15% of Community GDP, some 550bn ECUs (£385bn).

Dolphin-friendly dispute. At last week's GATT Council, the Community asked the GATT panel to rule against a US unilateral tuna embargo placed over a year ago on four Community States who import the fish from third countries not operating "dolphin-friendly" tuna fishing practices. Although the Community itself has taken measures to protect dolphins endangered by its own fishing, France, Italy, Spain and the UK are being penalised by the US embargo on Mexico and Venezuela.

Conference & Diary Dates.

Europe against Cancer Week - The theme of the EC's cancer programme week scheduled for 12-18 October is "Work at Your Health". The action is aimed at raising awareness of the programme's 10-point "Code for Living". Contact Janet Marshall at the European Commission office in London.

European Societies' Award Day - to be held on 29 June at 8 Storey's Gate, marking the third year of the scheme which involves over 500 schools. Prizes awarded by European Commissioner Bruce Millan. Contact Gina Marks, The Industrial Society on Tel. 071 262 2401 or fax 071 706 1096.

VDUs and You - A seminar on the EC Display Screen Directive organised by the Wiltshire European Network on 10 July in Swindon. Cost £25. Further details from Bath European Enquiry Service on 0225 826882 or Swindon European Business Centre on 0793 480518.

Council Meetings:

European Council	26-27 June	Luxembourg
Consumer Affairs	29 June	Luxembourg
Ecofin	29 June	Luxembourg
Ecosoc	1-2 July	Brussels

Our next briefing will be on Thursday 2 July at 11.30 am.