

## COMMISSION OF THE EUROPEAN COMMUNITIES

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THE WEEK IN EUROPE

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<u>UK Commissioners.</u> Prime Minister John Major has nominated the UK's present Commissioners, Sir Leon Brittan and Bruce Millan, to serve in the new Commission due to take office in January. The formal appointment of the full Commission of 17 will be made unanimously by a meeting of Member States later this year. To bring the Commission's term of office in line with European parliamentary elections, when and if the Maastricht Treaty is ratified, the new Commission would serve for two years, after which a new five-year Commission would be appointed.

Birmingham Summit. The special European Council reaffirmed the EC leaders' commitment to ratifying Maastricht and stressed the need to respond to concerns raised in recent public debates. The Commission expressed its satisfaction with the Summit's results, in particular the discussion on how best to apply the subsidiarity principle. Commission President Jacques Delors told the Summit that the Commission would continue to consult more widely with national parliaments on draft EC legislation. He suggested appointing a Commissioner to oversee relations with the national parliaments. Foreign Ministers will suggest ways of opening up the Community's insitutions to public examination before leaders meet for the Edinburgh Summit on 11-12 December.

Toxic waste ban. Member States will have the right to impose a non-discriminatory ban on imports of toxic waste from both within the Community and from third countries following an agreement by Environment Ministers in Luxembourg on Tuesday. Under the Regulation, exports of Community waste to African, Caribbean and Pacific countries (ACP) will be prohibited and exports and imports to and from signatories of the Basle Convention will be limited. The Regulation, coming into force by September 1994 after approval by the European Parliament, upholds the idea that Member States should deal with their own toxic waste. Environment Commissioner Karel van Miert welcomed the agreement which he said balanced the principle of freedom of movement of goods with protection of the citizen.

Cohesion funds. EC Finance Ministers confirmed on Monday that only Spain, Portugal, Greece and Ireland, the four countries identified in the Intergovernmental Conference on EMU, should benefit from the Community's proposed cohesion fund. Vice-President Henning Christophersen said that there was broad support for only these countries receiving the funds, whether or not their GNP remained at 90% of the EC average over the three year qualifying period.

EC VAT rate. EC Finance Ministers put the finishing touches on Monday to one of the most difficult issues of the Single Market when they finally agreed on VAT rates and excise duties from next January. The last hurdle disappeared when the UK and Spain solved a dispute over excise duty on sherry. A minimum 15% VAT rate will now come into force across the EC for four years from 1 January. Taxation Commissioner Christiane Scrivener welcomed the adoption of the nine texts on indirect taxation saying that "the last battle for the abolition of frontiers had been won". She confirmed that the zero VAT rates will be maintained at least until 1997.

Maternity leave. On Monday, the day the proposal was due to lapse, ministers adopted the Directive guaranteeing minimum maternity leave. The Directive, due to come into force within two years, gives pregnant women a minimum of 14 weeks maternity leave at statutory sick pay. The Council stressed that sick pay served only as a "point of reference" for maternity pay and no analogy between the two was intended. Pregnant women are also entitled to switch from night work, take leave for pre-natal checkups and be exempted from any work detrimental to their health. Under the Directive, pregnancy alone is not reason enough for redundancy. British women are the main beneficiaries of the clause stating that women have to work only one year for the same employer to receive maternity benefits. The Commission views the Directive as a minimum "first step" in maternity benefits.

<u>Telecoms review launched.</u> The Commission yesterday adopted a discussion document on options for change in the future of telecommunications which urges the opening up of intra-Community telephone services to competition. Despite progress made since the Commission's Green Paper in 1987 a number of bottlenecks remain; in particular, the high tariffs that users pay for calls between Member States, the so-called "frontier effect", which impedes development of the internal market. The report calls for wide consultation on an appropriate timescale and the expansion of universal access.

Regional aid to Cumbria. West Cumbria will receive another 10m ECUs (£8m) contribution from the

EC's structural funds to help maintain the region's pace of development and broaden its economic base. Regional Affairs Commissioner Bruce Millan said this would complement the first programme which had got off to an "excellent start" creating highly visible projects. The objective is to develop West Cumbria's tourism to trigger in turn private sector investment and improve the image of the region.

Brussels flights. The European Commission has authorised British Midland to operate two extra flights a day from Heathrow to Zaventem, Brussels. They turned down an appeal from the Belgian government who wanted to refuse authorisation citing a 1990 Regulation. However, the Commission asked the UK to make an improved offer to Sabena on landing slots at Heathrow as soon as possible.

EC enlargement. Graham Avery, the Commission's expert on enlarging the Community, told the "1992 Club" at Oxford today (Thursday) that accepting new members would strengthen the Community economically rather than weaken it politically. He said it would be an error to proceed to enlargement in a way which reduced the Community's effectiveness. Earlier successive enlargements had led to the Single European Act and forced the demise of the Member State veto. The next round will either be accompanied by improvements in decision-making or will lead to them, he said.

<u>Chernobyl restart.</u> Environment Commissioner Karel van Miert expressed deep concern for the safety of Europe after the Ukraine's decision this week to restart one of the three power plants at Chernobyl, site of the 1986 disaster. Leaks of radioactive gas from a similar plant in Lithuania earlier this week showed that these reactors are still highly dangerous. The Commissioner said it was now more urgent that ever to speed up the Community's technical assistance programme to the former Soviet Union.

<u>TACIS</u> food projects. The European Commission is launching four projects in food distribution under its TACIS programme of technical assistance to the Commonwealth of Independent States. The aim is to replace the void left by a complete breakdown of the old Soviet "command system". The funds totalling 3.9m ECUs (£3.12m) will promote private investment in the distribution chain and support measures to reduce post-harvest wastage. British, French, Irish and Danish companies will be involved.

<u>Aid to Egypt.</u> The Commission has approved 500,000 ECUs (£400,000) to help the 4,000 injured and the many thousands left without homes after last week's earthquake in Cairo. The aid, allocated by the EC's Humitarian Office, will go to purchasing and transporting emergency medical supplies.

<u>World hunger.</u> EC Agriculture Commissioner Ray MacSharry warned last Thursday that the graphic images of dying children seen daily on TV were only the "tip of the iceberg" of world starvation. In a statement made to coincide with United Nation World Food Day, the Commissioner said that while there were no quick-fix solutions to the problem, the world should be wary of accepting the situation as "inevitable, permanent and irredeemable". The Community has donated some 1.5m tonnes this year, representing 25% of all food aid.

<u>UK successes.</u> UK producers won five of the ten prizes on offer at the first European Video Film Festival for Occupational Health and Safety. The jury headed by Melina Mercouri and Social Affairs Commissioner Vasso Papandreou awarded the main prize to Gower Publishing Company Limited.

EC Direct - a comprehensive directory of EC contacts. The Commission's relocation from the Berlaymont in early 1992 has meant new addresses and phone numbers for most EC directorates. EC Direct provides all the new contacts, to help ensure that business links with the Commission continue. By Hans Martens, price £25.00 ISBN 0631 187960, published by Blackwell Business, tel: 0865 791100.

## Conference & Diary Dates.

<u>"The Hinge of Opportunity".</u> This latest monograph on defence and security in Europe will be launched by the New European after next week's briefing, 29 October, at Jean Monnet House.

The European Finance Convention. A five-day convention to discuss stability in the ERM, future prospects for convergence and the political will to proceed to a European Central Bank. 23-27 November, London. Contact the Loretto Group, Tel: 010 32 2 347 02 30 or Fax: 010 32 2 347 22 72. New German Länder and the Single European Market. Relay Europe is organising a series of seminars on 17 November at Studley Castle, Warwickshire, to highlight initiatives to assist potential investors in the new German Länder. Contact Chantelle Michaux on 0273 643657; fax 0273 643686.

European Arts Festival update. "Blood Wedding", a new opera at the Jacob Street Studios, London from 26 Oct; Galotta Dance Company from Paris opens at the Royalty Theatre, London, 27 Oct; Giorgio Strehler directs Goldoni's "Le Baruffe Chiozzette" at the National Theatre, London, opening 28 Oct. Council Meetings:

Agriculture 26-27 October Luxembourg
European Parliament 26-30 October Strasbourg
Consumer Affairs 3 November Brussels
Trade 6-7 November Brockett Hall

Our next briefing will be on Thursday, 29 October at 11.30 am.