



COMMISSION
OF THE EUROPEAN
COMMUNITIES

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WE/15/92
16 April 1992

THE WEEK IN EUROPE

Major congratulated. Commission President Jacques Delors sent a message of congratulations to Prime Minister John Major on his election victory last week. He said he looked forward to continuing "our fruitful and close cooperation". The formal message is in line with the Commission practice of publicly welcoming new governments in the Member States after general elections.

EEA agreed. The European Court of Justice gave the go-ahead on Friday to the European Economic Area agreement negotiated between the EC and EFTA countries last autumn. The legal framework of the 19-nation free-trading block was questioned by the Court which said that an EEA panel of judges would undermine its own authority under the Treaty of Rome. To overcome the legal tangle, the Court foresees the establishment of a joint political committee whose decisions must not be contrary to the Court's own rulings. The Commission attaches great importance to a successful outcome of the EEA agreement as part of the completion of the internal market by 1 January next year. Under the agreement's terms, some 40 million Scandinavians, Austrians and Swiss will have access to the Single Market. The EEA agreement, initialled officially on Tuesday, will now be signed by EC foreign ministers on 11 May before being submitted to the European Parliament and national parliaments of the signatories for ratification.

European Energy Charter progressing. Working groups in Brussels drawing up the basis for a binding international energy treaty made headway this week overcoming the sensitive issues of protection of investments and commercial regulations. The Commission is optimistic that the breakthrough in these areas signals a clear political will to reach a rapid agreement, although it is unlikely that the treaty will be ready for signing within the term of the Portuguese presidency as previously hoped. The Conference will forge ahead with extending bilateral contacts with the countries of east and central Europe and the former Soviet states. The latter have requested more time to prepare for Charter negotiations. The priority now is the creation of working groups on nuclear cooperation, transit of energy and transition arrangements for signatories to the new post-Charter energy market. On Monday the Commission adopted a report on the oil market assessing the Community's reliance on fossil fuels. Consumption is estimated to rise to 45% of total energy use by the year 2000, a level higher than that approved by the Council in 1986. The report extends the energy debate on environmental concerns, looking at better energy-management to reduce consumption and ensure stability in the oil market.

Expo '92. Jean Dondelinger, Commissioner for Cultural Affairs, greeted the EC's participation in the Seville Exposition, due to open on 20 April, as a significant celebration of the Community's achievements culminating this year in the completion of the Single Market. He said that the EC's pavilion at the Expo was a showcase of common European heritage and future dreams, sending a triple message to the world; the immense contribution of Spain to the Community as one of its newest members; the chance for European nations to reflect on their shared history since Columbus' discovery of America; and the successful fruition, 500 years later, of Europe's Single Market.

Impetus for High Definition TV. Telecommunications Commissioner Filippo Maria Pandolfi announced on Tuesday a five-year action plan to assist the introduction of HDTV in the Community backed by £609m of financial support. The aid will go to HDTV producers to adapt satellite transponders and reformat transmissions and other technical equipment to broadcast programmes in D2-MAC. The action plan is the third pillar in the Commission's programme to establish HDTV, the other initiatives being last year's Memorandum of Understanding to promote legally-binding commitments in developing services and equipment to HDTV standards and the directive on satellite broadcasting standards. To demonstrate commitment to HDTV, the EC Member States will be showing European films specially produced for the medium at the Seville Expo.

Application of EC Law. The Commission's ninth report on the application of Community law shows the difficulties encountered by Member States in keeping abreast of EC legislation. The Commission, concerned about any backlog compromising the deadline for the opening up of frontiers, is liaising actively with national civil services to clarify technical specifications of the laws. The report welcomes

the rise in the rate of implementation of Single Market directives, up 7% in 1992. Italy in particular has been catching up and notified some 100 measures at the end of February. Three key areas of environment, internal market and agriculture, still account for two thirds of all infringements although the number of cases before the Court of Justice dropped, indicating that Member States comply before the final stages of procedure are reached.

Education to expand. Education ministers meeting informally in Madeira at the weekend discussed the possibility of greater private sector involvement in higher education, with several Member States in favour of business co-financing some courses. Social Affairs Commissioner Vasso Papandreou said that partnership between industry and higher education was urgently needed if EC business was to remain competitive into the next century as only 25% of today's technology would still be in use by the year 2025, while 80% of those working now would still be active then. Business and education should work together on assessing future demands for skilled personnel in the face of rapidly changing technology. She stressed the role played by EC youth training and exchange initiatives in opening up job markets and establishing the concept of European citizenship. 200,000 students will participate in the EC's 1992 schemes with 80,000 in Erasmus, 40,000 in Youth for Europe and 6,000 in Lingua. She stated that any extension of EC measures in education would adhere strictly to the principle of subsidiarity.

Day & night working. To clarify the ongoing debate in the European Parliament on the Commission's 1990 working time directive, Papandreou repeated last week the Commission's position that the choice of which day in the week should be the minimum rest period was a matter for Member States and dependent on national social and economic peculiarities. The Commissioner also asked six Member States, not including the UK, to revoke their ratification of the International Labour Organisation's ban on women working at night which contradicts EC policy on the equal treatment of men and women.

EC-US trade report. The Commission issued its report on the trade and investment barriers facing EC exporters to the US which serves as an annual check on the obstacles still hampering free trade. The Commission pointed out that its report, unlike the recent similar US report, would not provide an excuse for the EC's introduction of reciprocal trade sanctions. The EC is committed to acting through legal international bodies such as GATT and the OECD. The high level of barriers in existence was the result of divergent economic interests rather than targeted protectionist measures, it said.

GATT update. Although the original Easter deadline for the completion of the Uruguay round of GATT will be breached this week, hopes are now rising that agreement with the US on EC farm subsidies might be near. Commission President Jacques Delors and EC Council President Anibal Cavaco Silva, Portugal's prime minister, will meet President George Bush and other members of the US administration in Washington on 22 April for one of the regular EC-US summits. Competition Commissioner Sir Leon Brittan will also be in the US next week for talks in New York, San Francisco and Chicago with heads of financial services institutions to explain the workings of the EC's Single Market. The opening up of US financial services and public procurement has been a sticking point in the GATT negotiations. The Commission expressed regret this week at the US negotiators' decision to suspend talks on the Multilateral Steel Agreement without, in the EC's view, having examined every avenue. American industry has just started anti-dumping and countervailing procedures against the Community. The EC, fearing a return to the "steel war" of the early 1980s, urged the US government to continue international negotiations and take a severe view of any complaints from US industry which might harass legitimate trade.

EBRD praised. Commission Vice-President Henning Christophersen urged other donors of financial aid to eastern Europe to coordinate their activities more closely with those of the European Bank for Reconstruction & Development, so that the Bank's scarce resources could do a better job. Addressing the Bank's annual meeting held in Budapest on Tuesday, the Commissioner praised its impressive first year of operation. While the Community recognised its special commitment to its eastern neighbours, shown by its provision of 60% of the Bank's funds, the Commissioner stressed that others should contribute their "fair share".

Maastricht & the Environment. Published by the Institute for European Environmental Policy, this report unravels the implications in the Treaty for environment policy. Price £4 from the IEEP, 158 Buckingham Palace Road, London SW1W 9TR. Tel: 071 824 8787.

Conference & Diary Dates.

Avon's Festival of Europe Week, 24 April - New Tel.No - Ted Hart: Tel: 0272 238831

Energy in the Single Market - The Institute of Energy's annual conference with the Russian Energy Minister as the guest speaker on 14 May. For information contact Catherine Smith, Tel: 071 580 0008.

Council Meetings:

Environment & development	27 April	Luxembourg
Agriculture	28-29 April	Luxembourg
Research	29 April	Luxembourg

Our next briefing will take place on Thursday, 23 April, at 11.30am.