



COMMISSION
OF THE EUROPEAN
COMMUNITIES

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THE WEEK IN EUROPE

The New Europe. Poland, Hungary and Czechoslovakia on Monday all emphasised their objective of eventually joining the European Community as they signed association agreements in Brussels. These special "Europe Agreements" will lead to free-trade over ten years, with the Community lowering its barriers to industrial imports more quickly - within 5 to 6 years - than the Central and Eastern Europeans will be required to do. Over the 1988-90 period Poland's exports to the EC rose by 53%, Hungary's by 27% and Czechoslovakia's by 22%, while Poland's imports from the EC rose 59%, Hungary's 22% and Czechoslovakia's 17%. In a speech at the signing ceremonies, Commission President Jacques Delors said the accords marked an important stage in the developing relations between the EC and the three new partners.

Energy Charter. Ministers from 45 European nations gathered in The Hague on Tuesday to sign the European Energy Charter, brainchild of Netherlands Prime Minister Ruud Lubbers. Five more will sign at a later date. At the heart of the Charter is a legal and financial framework aimed at ensuring fair trade and energy price transparency in every signatory nation. This is the key to unlocking the resources of the former Soviet bloc countries in which 35 to 40 percent of the world's gas, half of its coal and half of its oil is located. Western signatories have agreed to install power stations and equipment which are modern, environmentally sound and efficient in the consumption of energy. Antonio Cardoso e Cunha, the EC's energy Commissioner, has announced that the Commission is to extend its Organisation for the Promotion of Energy Technologies (OPET) scheme into the republics of the former Soviet Union. There was some confusion over the representation of the former Soviet Union. Eventually both the central administration as well as the separate Republics signed. The status of these signatures will be decided in due course.

Recognition for new states? Foreign Ministers decided early Tuesday morning in Brussels on a formula under which the EC will offer to recognise new States in the Soviet Union and battle-torn Yugoslavia by 15 January. States wishing to be recognised have been asked to observe principles covering human rights, protection of minorities and commitment to peaceful change. They have to present their demands by Monday.

Legal snags hit EC-EFTA pact. A serious legal snag has held up the initialling of the recently negotiated European Economic Area linking EFTA and the EC. At the weekend the European Court of Justice in Luxembourg rejected certain juridical aspects of the accord. Current Council President, Dutch Foreign Minister Hans van den Broek said on Monday however that the ambitious agreement to form a single market of some 380 million people in 19 countries may have to be renegotiated in part but he thought it could still be signed in February so that it could be ratified by Parliaments and come into effect on 1 January 1993. Meanwhile EC Foreign Ministers have asked their ambassadors and the Commission to plot the Community's next move. The Court's opinion is that "the system of judicial supervision which the agreement proposes to set up is incompatible with the Treaty establishing the EEC".

EC energy tax closer. EC Environment and Energy Ministers last week gave the Commission the green light to bring forward legislative proposals for an energy tax. The joint Council of Ministers has set the target date of May 1992 for a decision. EC Finance Ministers have already agreed in principle to the legislation. The tax is intended to cut carbon dioxide emissions and combat global warming and would be equivalent to \$10 on a barrel of oil by the year 2000. It is intended to be fiscally neutral with price incentives on energy saving elsewhere to compensate for the higher costs. The new tax would be split into two equal levies, one on all non-renewable fuels according to energy value, the other targeted on fossil fuels graded according to carbon content. The EC wants to have a unified stance on the issue ahead of next June's UN-sponsored conference on the environment due to take place in Rio de Janeiro.

Technical assistance to the USSR and Baltic Republics. The Commission has just decided on the financing for the year 1991 of the technical assistance for the Soviet Union and the Baltic republics amounting to some 375m ecu (£262.5) and 15m ecu (£10.5m) respectively. The money will go towards technical assistance to the energy sector (115m ecu), management formations (103m ecu), assistance in restructuring the food distribution system (74m ecu), improving transport (45.8m ecu) and improving financial services (37.5m ecu). The technical cooperation programme in the USSR energy sector will focus on four main areas of intervention: energy saving, nuclear safety, electricity and oil and gas.

Food aid to Moscow and St Petersburg. EC Finance Ministers, meeting in Brussels on Monday, formalised the political decision taken by Heads of State and Governments in Maastricht to provide 200m ecu (£140m) in food and medical aid to Moscow and St Petersburg. Commission Vice President Henning Christophersen told journalists that 100m ecu will be given shortly (5m urgency aid from budget 1991 and 95m from budget 1992) and 100m from 1991 agricultural budget after consultation with the European Parliament next month. Ministers also agreed to guarantee a 1,250m ecu (£875m) loan over three years, half of which is to buy food and medical products in Eastern and Central European countries and the Baltic States.

Help for textile regions. Regional Policy Commissioner Bruce Millan yesterday launched the Commission's RETEX initiative designed to provide help for small businesses in regions affected by the economic decline of the textile and clothing industries. Cost will be of the order of 500 million ecus (£350m) over five years. Member States are being asked to submit proposals for allocating the money by the middle of next year.

Speed-limiters for lorries and buses. EC Transport Ministers, meeting in Brussels on Monday, introduced radical new measures to improve road safety. They decided that from 1994 new lorries and buses would be fitted with "speed limiters" preventing them from exceeding newly-prescribed speed limits. The speed limit for new lorries will be 85km an hour and the limit for buses will be 100km an hour. The limits will apply to freight vehicles over 12 tonnes, and buses of over five tonnes carrying more than eight passengers, from 1 January 1994 for all new vehicles registered after that date. The same limits will be compulsory for all cross-border vehicles in these categories that have 1988-94 registrations, but from 1 January 1995. For purely national transport, these vehicles will have a further year's grace. The decision, however, requires agreement in the European Parliament.

Fisheries Ministers agreed yesterday (Wednesday) on total available catches (TACs) and quotas for 1992. Taking account of the difficulties in some Member States, the twelve decided to maintain the present system for cod and haddock in the North Sea and to the west of Scotland (8 days ban per month). An alternative available is for a ban on fishing for 135 days a year instead of the 200 days proposed by the Commission. Member States can offer other regimes provided they meet the need for conservation.

EC "eco-label" agreed. EC Environment Ministers have agreed to introduce a Community-wide "eco-label" (incorporating a four leaf daisy with the twelve EC stars and the letter E) which is designed for consumers to identify products which do least damage to the environment. The EC label is intended to harmonise standards because of the increasing proliferation both of national labels and of sometimes dubious environmental advertising. The scheme is voluntary and decentralised with the Commission setting standards through a regulatory committee made up of experts from Member States, and in consultation with consumer groups, environmental lobbies, industry and commerce. Product groups governed by separate legislation, like food and pharmaceuticals or dangerous chemicals, are not covered.

Hard times. This is the title of the latest issue of the European Labour Forum's magazine which takes a look at prospects for European Social Policy. Edited by Ken Coates MEP, the European Labour Forum is published by Spokesman, Bertrand Russell House, Gamble Street, Northampton NG7 4ET. Tel: 0602-708318. Annual subscription £6.00.

The Single Market and Further Education - Developing a European strategy. A residential course for FE College Principals, Senior Management and Education officers organised by the European Briefing Unit of Bradford University and the FE Euro-Unit, Yorkshire and Humberside. Further details from Jennie Stones. Tel: 0532-430991. Fax: 0532-451405.

Conference and Diary Dates

"£141 Billion Market at Home and Abroad". Thames Valley EuroInfoCentre - public purchasing seminar, 17 January 1992 at Foxcombe Lodge Hotel, Oxford. Details: Julia Rees 0753 577877. Fax: 0753 524644.

Helping SMEs prepare for Europe. Conference on 24 January 1992 organised by Lloyds Bank International and Birmingham City Colleges to launch an SME Audit Pack, designed to help Universities, Polytechnics, Colleges of Further and Higher Education and private training organisation. Venue: International Convention Centre, Birmingham. Further details from Barry Coleman on 021-446 4545 Ext 274.

Your Business and European Food Hygiene Law. A one day seminar on 24 January at the Blunsdon House Hotel, Swindon, Wilts. Speakers from the Commission, European Parliament and food industry and environmental health experts. £25 plus VAT. Details from Bath European Enquiry Service on 0225-826882.

Portuguese Government/Commission meeting	8 January	Lisbon
Fisheries Council	9 January	Brussels
ECO/FIN Council	13 January	Brussels

We would like to wish all our readers a very Merry Christmas and a Happy New Year. Our next briefing will be on Thursday, 9 January 1992 at 11.30am.