



COMMISSION
OF THE EUROPEAN
COMMUNITIES

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THE WEEK IN EUROPE

EMU on course. Meeting informally at Apeldoorn in the Netherlands, European Community Finance Ministers continued the process of compromise so that a Treaty on Economic and Monetary Union can be signed in December. According to Chairman Wim Kok a new spirit of compromise and realism emerged at the meeting of Finance Ministers and central bankers. A formal EMU Treaty text should be circulated in mid to late October, giving Member States a few weeks to discuss last-minute changes before the Summit at Maastricht. If final agreement is achieved, the EC could move as early as 1997 from the current system of national currencies floating within fixed ranges to the second and third stages of EMU leading eventually to a common central bank, locked exchange rates and a single currency. Commission President Jacques Delors commented afterwards that this was the end of the dispute about a two-speed Europe. He also believed the compromise being worked out would safeguard UK sensitivities about the need for the Parliament in Westminster to have the final say. Ministers agreed that the test for those ready to lock exchange rates would come at the end of 1996 when a report is to be drawn up showing which of them have met three criteria - low inflation, a sustainable budget deficit and a stable currency. Commission Vice-President Henning Christophersen said that all Member States except France and Luxembourg had pledged to submit medium-term economic plans to the others for scrutiny.

Dutch launch political union plan. Parallel discussions on European Political Union, on the other hand, ran into UK criticism when the Dutch presidency produced another draft Treaty for European political union. This proposes to give the European Parliament more legislative powers and brings sensitive issues of foreign and defence policies within the Community remit. The new draft has also come in for criticism for resurrecting the term "union with a Federal vocation." UK Prime Minister John Major said on Tuesday the draft "is not a fait accompli" and much remained to negotiate. He made the comment after lunching in Downing Street with the French Prime Minister Edith Cresson.

Tax energy, cut pollution. The European Commission has agreed to put forward a proposal for an energy tax to cut CO2 emissions and thus to clean up the environment. The proposal is in the form of a recommendation to the Council of Ministers. Most controversial element is the suggestion that Member States should raise the cost of energy by putting a tax equivalent to ten dollars a barrel on energy sources. The aim is to stimulate better and more efficient use of fossil fuels and the development of renewable sources and other alternatives. Environment Commissioner Carlo Ripa di Meana has strongly defended the Commission's initiative as the best means of demonstrating the true cost of energy. He acknowledged that it would provoke much argument in the Council, but added that if the tax were agreed Member States themselves would be responsible for collecting and spending it.

EC/US Securities Cooperation. The Commission has signed a joint statement with the US Securities and Exchange Commission (SEC) aiming to improve cooperation between regulatory authorities both bilaterally and multilaterally. Commission Vice-President Sir Leon Brittan, who signed the statement in Washington on Monday, said the agreement marked an important step forward in cooperation between the United States and the European Communities in the area of financial services regulation. He added that the Commission is committed to playing its full part in developing international structures to ensure that financial markets are made more efficient, more transparent and above all more honest.

Papandreou in Hungary. Social Affairs Commissioner Vasso Papandreou visited Hungary last week for talks on cooperation in the fields of education, employment and social affairs. Both sides stressed their satisfaction with the operation of the TEMPUS programme and its role in assisting the development of higher education in Hungary through joint projects with universities in the EC as well as the mobility of staff and students. The Hungarians underlined the increasing importance which they attached to human resource development as part of their process of economic restructuring.

Intellectual Property. The Commission intends to create an inventory describing the position with regard to intellectual property rights in third countries and the difficulties encountered by EC rightholders there. In order to facilitate the creation of this inventory, the Commission is organising consultations of rightholders of intellectual property rights who are invited to communicate their views and concerns. A Hearing may be organised in the course of 1992 with representative organisations. The Commission is currently distributing a questionnaire on the difficulties concerning Intellectual Property Rights. Copies of the questionnaire may be obtained from Commission of the European Communities, DG III/F4, 200 rue de la Loi, 1049 Brussels.

Marin at EEC/ACP Assembly. In his address to the Joint EEC/ACP Assembly in Amsterdam on Tuesday, Commission Vice-President Manuel Marin said services represented a promising area of cooperation in which no hard and fast rules yet existed at international level. Since the development of a viable services sector required special know-how and equipment, Marin considered it essential to concentrate on ensuring sound basic education, appropriate vocational training and good management. He was convinced that the instruments which the Lomé Convention provided would enable people in Africa, Caribbean and Pacific countries to meet this challenge.

More European competition. The Commission is proposing that from 1 January 1993 the service markets in the water, transport, energy and telecommunications sectors should be opened up to competition under Single Market rules. Thresholds for "Europeanisation" for water, transport and energy will be a turnover of 400,000 ecus (£280,000) while that for telecommunications will be 600,000 ecus (£420,000). Derogations are foreseen for Spain (until 1 January 1996) and for Greece and Portugal (1 January 1998). Commission Vice-President Martin Bangemann will now present the proposals to the European Parliament and to the Council of Ministers.

EC contest for Young Scientists. The European Commission's third EC contest for Young Scientists attracted entries from 69 young people from all countries of the Community as well as from Austria, Finland, Norway, Sweden and Switzerland. In Zurich on Wednesday fifteen projects earned certificates of distinction worth 5,000 ecus (£3,500). Angus Filshie of the UK was a winner in this category for his mucus extractor which is designed to help new-born babies.

Perifra. On the initiative of Commissioner Bruce Millan, the Commission has decided to grant 40m ecus (£28m) to the PERIFRA project (for peripheral regions with fragile economies). UK areas benefitting include regions where installations are being converted from use as military bases. They include Barrow-in-furness, Merseyside, Preston, Kirklees, and Strathclyde.

Women of Europe Award. Deadline for the UK Women of Europe Award 1991 is 11 October 1991. Further information from Alison Parry, Tel: 081-891 1021. Fax: 081-744 1980 or from European Movement (Peter Luff/Stephen Woodard) Tel: 071-839 6622.

"From Luxembourg to Maastricht": 100 critical days for Europe. Published by Belmont European Policy Centre. 156 pages. More information from Stanley Crossick, Belmont, 42 Boulevard Charlemagne, 1040 Brussels. Tel: 010 322 231 0340. Fax: 010 322 231 0704.

"Banker's Racket or Consumer Benefit?" A consumer view of the Single European Market for Financial Services by Jeremy Mitchell. Published at £9.95 by the Policy Studies Institute and available from bookshops and BEBC Ltd, 9 Albion Close, Parkstone, Poole, Dorset BH12 3LL.

Conference and Diary Dates

After 1992 - Public contracting and the free market. Organised by Newcastle Upon Tyne City Council. 30 September at Newcastle-upon-Tyne Civic Centre. Details: Linda Sharp on 091-232 8520 ext 5053.

Building Bridges in the Wider Europe. A one day conference on developing education and training partnerships with the countries of central and eastern Europe. Venue: Leeds, 8 November. Details from Kathleen Roberts on 0532-474342 or Carolyn Booth or Lisa Morris on 0532-355567.

Launch Conference of the European Social Action Network. Brussels 4-5 November. Theme "Social Europe - Our Responsibility". Details from ESAN, 98 rue du Trone, B-1050 Brussels. Fax: 010 322 512 6673. Tel: 010 322 512 7411.

Kangaroo Group Annual Conference at the Palace Hotel, Madrid, on 4-5 November. Theme: "Europe in World Trade". Details from Arabella Price on 071-588 9755. Fax: 071-588 9750.

General Affairs Council	30 September	Brussels
Informal Agriculture Ministers	30 September - 1 October	Drachten
Environment Council	1 October	Luxembourg
Informal Foreign Ministers	5-6 October	Haarzinlen

Our next briefing will be on Thursday, 3 October at 11.30am.