

**THE COMMISSION'S FOLLOW UP TO OPINIONS OF THE  
ECONOMIC AND SOCIAL COMMITTEE**

**ISSUED DURING THE THIRD QUARTER OF 2001**

**(July and September)**

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<p><b>1. Assessment of the state of preparedness for the introduction of the euro to highlight the main gaps and the necessary remedial action</b>  <b>Additional opinion - ESC 1123/2001 - September</b></p>	
<p><b>Main points of the ESC opinion</b></p>	<p><b>Commission position</b></p>
<p>Concentrate communication efforts on television, with leaflets as a secondary source of information on the euro.</p>	<p>Accepted. Television takes priority in the “media” plans of all of the participating States.</p>
<p>Leave it to each national central bank to choose whether to distribute notes to the public in advance.</p>	<p>Rejected. The framework for frontloading as established at European level (ECB and Council) expressly rules out this possibility.</p>
<p>Discourage citizens from rushing to banks or cash distributors to withdraw euros, in order to prevent queues.</p>	<p>Rejected. On the contrary, the Commission considers that it is essential to provide consumers with euros rapidly to reduce practical administrative problems at cash desks and queues in shops.</p>
<p>Call on consumer associations to be vigilant in monitoring prices: coercive public measures are to be ruled out (maintain free pricing arrangements).</p>	<p>Accepted. This position was already expressed by the Commission in its communication in April and will be reiterated in its communication in October.</p>
<p>Criminal sanctions for deliberate errors in conversion.</p>	<p>Taken into consideration during discussions with Member States.</p>
<p>Information on all of the national sides of the coins.</p>	<p>Accepted. This was included in the Commission’s communication in October.</p>

<p><b>2. Communication from the Commission to the Council and the European Parliament – Innovation in a knowledge-driven economy COM (2000) 567 final - July</b></p>	
<p><b>Main points of the ESC opinion</b></p>	<p><b>Commission position</b></p>
<p>1.1, 5.4: The ESC considers that the Commission’s proposal setting objectives for enhancing innovation in the Union is extremely important, and warmly welcomes the broad lines of action.</p>	<p>The Commission notes the favourable opinion.</p>
<p>3.1.2. The ESC strongly emphasises the need for up-to-date and reliable statistical data.</p>	<p>The Communication included the first outline of the European Innovation Scoreboard, based on data then available that had been validated at the European level. Building on the outline, in September 2001 the Commission published the 2001 innovation scoreboard (SEC(2001) 1414), making use of updated data that became available in the meantime and including other improvements. The Commission considers that Member States should give high priority to the timely implementation of the Community Innovation Survey and to the more frequent production of innovation statistics.</p>
<p>5.6.1: The ESC urges the Commission to draw up a plan to make Member States’ national innovation programmes accessible to all EU operators and companies (3.2), and considers that national R&amp;D programmes of all EU countries should be opened up to all interested research centres in the EU.</p>	<p>Networking of national research and innovation activities as well as the mutual opening-up of the national programmes in these areas is foreseen in the Commission’s proposal for the next RTD framework programme.</p>
<p>3.4.2, 5.7 The ESC emphasises the value of centres of excellence. 3.6, 5.6.4 The ESC favours using the media to promote awareness of the importance of innovation.</p>	<p>The Commission notes these points, which will be considered in further work.</p>

<b>3. Proposal for a Directive of the European Parliament and of the Council on machinery and amending Directive 95/16/EC COM(2000) 899 final - September</b>	
<b>Main points of the ESC opinion</b>	<b>Commission position</b>
<p>1.1. The Committee wonders whether this is the right moment to revise the “Machinery” Directive and whether enough experience has been acquired for such a revision. Moreover, it must be remembered that many firms, manufacturers as well as installers and users, have had to make strenuous efforts to assimilate such complex rules. Now that the rules are being correctly applied, it appears paradoxical to wish to make another series of changes.</p>	<p>According to the most optimistic estimates, the draft directive will not come into force before 2007. Given that the original Directive has been in force since 1993, a revision of the text in the light of new experience acquired would appear to be appropriate.</p> <p>The basic principles underlying the work, in which all the interested parties were involved, are: simplification of the application of the directive and clarification of the scope and of the procedures.</p>
<p>Whole categories of vehicle do not fall within the scope of the existing rules (e.g. vehicles which are never used on public roads). The current text (ninth indent of Article 1(3) of Directive 98/37) is clearer in this regard. The Committee therefore proposes that the old terminology be retained.</p>	<p>Suggestions to be taken into account in subsequent negotiations with the other institutions</p>
<p>Article 1(2)(a) makes no distinction according to whether the components or equipment parts in question can also be used for the construction of new machinery. The Committee suggests that a note be inserted in the instructions to the effect that the components are intended solely to replace identical components or equipment parts. The Committee considers that it is also unclear whether the provision of instructions is required.</p>	<p>Suggestions to be taken into account in subsequent negotiations with the other institutions</p>

<p>Article 1(2)(b) excludes certain equipment for use in fairgrounds and amusement parks. The Committee understands the reasons for this exclusion, but suggests that rules covering such equipment could be laid down in another directive. There are at present no European-level rules in this area.</p>	<p>Suggestions to be taken into account in subsequent negotiations with the other institutions</p>
<p>The concept of “means of transport” used in Article 1(2)(e) is not defined and will be a source of confusion. Does it, for example, cover tractors (Directive 98/37, Article 1(3), 12th indent)? Or what about seagoing vessels and their equipment (Directive 98/37, Article 1(3), 10th indent)? The Committee suggests that the old terminology be retained.</p>	<p>Suggestions to be taken into account in subsequent negotiations with the other institutions</p>
<p>Article 1(2)(j) should make it clear that it refers to “electrical and electronic” equipment. The English text has “household appliances” and the French text “appareils électroménagers”.</p>	<p>Suggestion will be taken into account.</p>
<p>The Committee suggests that the definition of “household” appliances in Article 1(2)(j) contain an upper limit on power. This could be applied by means of the procedure described in Article 8.</p>	<p>The Commission wishes to reserve its position pending the results of negotiations with the other institutions</p>
<p>Article 1(2)(l) refers to “motors of all types”. The Committee considers that only electrical motors should be excluded, as they fall within the scope of Directive 73/23/EEC. All other motors (hydromotors, hydraulic motors, atmospheric motors etc.) should fall within the scope of the directive and should therefore be considered as partly completed machines.</p>	<p>The Commission wishes to reserve its position pending the results of negotiations with the other institutions</p>
<p>Article 2(c) uses the expression “equipment”. The Committee feels that this should be defined.</p>	<p>The Commission wishes to reserve its position pending the results of negotiations with the other institutions</p>

<p>Article 2(c) refers to devices which are assembled after “placing into service”. The Committee considers that this should read “placing on the market”.</p>	<p>Rejected: interchangeable equipment is dealt with from the point of view of placing on the market. However, such equipment may be installed on machines which are already in service.</p>
<p>The Committee notes that, in contrast to all other safety components referred to in Article 2(d)(iv), a reference to “safety” and/or “health” is lacking in relation to smoke and dust extraction systems.</p>	<p>The suggestions will be taken into account in further negotiations with the other institutions.</p>
<p>Article 2(a) and Article 2(i) refer to a “drive system”. It is not clear what this means. The Committee therefore asks that the concept be defined.</p>	<p>The suggestions will be taken into account in further negotiations with the other institutions.</p>
<p>Article 2(e) defines a “lifting accessory”. Point 4.1.1 of the annex refers to and defines a “lifting operation”, whereas Article 2a)(iv) refers to a “lifting apparatus” and points (d) (vi) and (vii) refer to “lifting appliances”. The Committee notes that the two latter concepts are not defined.</p>	<p>Suggestions will be taken into account in subsequent negotiations with the other institutions: the terms used will have to be standardised.</p>
<p>Article 2(i) requires “partly completed machinery” to be “almost” a machine. The Committee feels that the word “almost” should be clarified, otherwise a new “grey area” is likely to be created.</p>	<p>The suggestions will be taken into account in further negotiations with the other institutions.</p>
<p>Articles 2(j) and (k) refer only to machinery. This ignores the fact that the directive also applies to the equipment referred to in Articles 2(a) to (i) (partly completed machinery) and vehicles (Article 1(b)). The Committee feels that a reference to these two kinds of equipment should be added.</p>	<p>The suggestions will be taken into account in further negotiations with the other institutions.</p>



<p>The Committee feels that the wording of Article 2(k) is too complicated. The first sentence contains the phrase “designs or manufactures”. This means that anyone who merely attaches their name or trademark to a piece of machinery, without actually designing or manufacturing it, cannot be described as the “manufacturer”. Subparagraph (i) of Article 2(k) again uses the wording: “designs or manufactures a machine ... or ... has such a machine designed or manufactured”. It is suggested that this point be rewritten, otherwise there is a danger of lasting confusion.</p>	<p>The suggestions will be taken into account in further negotiations with the other institutions.</p>
<p>The Committee notes that, based on the definitions, nobody can be identified as manufacturer if nobody assumes responsibility. It proposes the reintroduction of the procedure described at Article 8(7) of Directive 98/37/EC, suitably amended.</p>	<p>Suggestions taken into account in the context of subsequent negotiations with the other institutions: the text will be corrected, taking all possible hypotheses into account.</p>
<p>The Committee feels that Article 6(3) should be applied not only at trade fairs and exhibitions but also during tests. The Committee would also like to see more stringent measures adopted requiring the Member States to monitor compliance with the rules effectively.</p>	<p>The Commission partly accepts the observations and undertakes to amend the initial proposal as a consequence: these will be tests on the machine itself and not tests carried out in normal use of the machine.</p>
<p>The Committee notes that, in relation to Article 8(1)(a), (b), (c) and (d), a procedure is in force requiring a decision to be taken within three months (Article 22(3)). This concerns the updating of the list of safety components or machinery and arrangements for cooperation between Member States. The Committee feels that this deadline is not necessary.</p>	<p>Rejected: the period of three months is the maximum period laid down by Decision 1999/468/EC on comitology.</p>
<p>The Committee feels that this assigns too much decision-making power to the Member States (measures are to be immediately effective without consultation). The Committee feels that the technical requirements of Annex I should be conclusive, and that the market surveillance (Article 4) of compliance with these requirements and the safeguard clause are sufficient, making this article superfluous (similarly Article 8 (e)).</p>	<p>Rejected: this article is an extension of the safeguard clause. However, it would be appropriate to completely rewrite this article, since its current wording is far from satisfactory.</p>

<p>The Committee suggests adding a simplified procedure for machinery manufactured entirely in accordance with harmonised standards but which has not been subject to external evaluation. There would therefore be the following four options:</p> <ul style="list-style-type: none"> <li>a) Internal checks on manufacture (Annex VII)</li> <li>b) Assessment of compliance with standards (Annex IX)</li> <li>c) EC type examination (Annex X)</li> <li>d) Full quality assurance (Annex XI).</li> </ul>	<p>The suggestions will be taken into account in further negotiations with the other institutions.</p>
<p>The Committee notes that the Machinery Committee consists only of representatives of the Member States and is chaired by the Commission representative. The interested parties (employers, workers, consumers etc.) are not involved. Under the current Directive 98/37/EC, the interested parties are consulted via a working party, in which their views are heard and taken into account. The Committee feels that the current procedure should be retained.</p>	<p>Rejected: the Directive may only create a Committee in accordance with Decision 1999/468/EC on comitology. According to this Decision, only the Member States and the Commission may become members of such a group. However, a Working Party bringing together all of those interested in the administration of the Directive will continue to meet as at present.</p>
<p>The Committee notes that, as a result of translation and additions, major parts of Annex I have changed. Many passages which are not underlined still seem to have been changed. This is confusing.</p>	<p>The Translation Service will be notified accordingly.</p>
<p>The Committee feels that specialists should study these definitions very carefully in all the languages. For example, in the “danger zone” a person is exposed to “dangers” rather than “risks”.</p>	<p>The Translation Service will be notified accordingly.</p>

<p>The Committee suggests that the reference to instructions for “handling” be added to 1.10.2(c), Contents of the instructions.</p>	<p>Suggestions to be taken into account in subsequent negotiations with the other institutions</p>
<p>The Committee considers that machines, or their components, cannot comply with the second sentence, as the stability of components cannot be guaranteed, e.g. during the process of scrapping. It would be worthwhile inserting a reference to instructions for transport and dismantling in 1.10.2(c), Contents of the instructions.</p>	<p>Rejected: these are only objectives to be attained as far as is possible (see preliminary comment No 3)</p>
<p>The Committee points out that horizontal protection devices remain in place even without their fixings, so that the words “as far as possible” should be added to the fifth indent.</p>	<p>Rejected: these are only objectives to be attained wherever possible (see preliminary comment No 3)</p>
<p>Point 1.4.2.1 of Annex I stipulates that fixing systems must remain attached to the guards when removed. It is suggested that a further stipulation be added that it must also be possible for fixing systems to remain attached to the machinery.</p>	<p>Accepted wholly. The amendment will be made in the revised proposal. The text could be rewritten: “...attached to the guards or the machinery when removed”.</p>
<p>The Committee notes that the first sentence states that this provision applies to production, adjustment and maintenance operations. The Committee would like to see the title used in Directive 98/37/EC, point 1.6.2, retained: “Access to operating position and servicing points”.</p>	<p>Accepted wholly. The amendment will be made as part of the revised proposal.</p>

<p>The second point in 1.9 is very confusing. The Committee proposes that the first and second points be combined to read: “the name and address of the manufacturer and, where applicable, his authorised representative or, where applicable, the name and address of the natural or legal person who assumes responsibility for its conformity to this Directive”.</p> <p>In the second sentence of footnote 2 concerning the year of construction, the second sentence should be deleted. The EC declaration of conformity could have been established at another time (e.g. long manufacturing process).</p>	<p>Suggestions to be taken into account in subsequent negotiations with the other institutions</p> <p>Rejected: the exact year of construction must be known so that the state of technology at that point in time can be taken into account.</p>
<p>The Committee notes that no reference is made in point 1.10.2 to instructions for use. As these are essential for safety, the Committee suggests that point 1.10.2(g) be amended to read as follows: “use and intended conditions of use of the machinery within the meaning of 1.1.2(c)”.</p> <p>If account is taken of points 3.8.3 and 3.8.4 of this document, point (p) could be deleted.</p>	<p>Suggestions to be taken into account in subsequent negotiations with the other institutions</p>
<p>The Committee notes that lifting apparatus which is used in such a way that no change of level takes place is not covered by these fundamental requirements. The Committee suggests that the text of Annex I, point 4 of Directive 98/37/EC (stating that risks exist particularly in the case of a change in level) be retained.</p>	<p>The Commission does not understand this comment, given that a lifting operation always implies a change of the level of the load lifted as indicated in the definition given at point 4.1.1.a of Annex I.</p>
<p>The Committee suggests that points A(1) and A(2) be replaced by the same wording as that suggested for the first two points of Annex I, 1.9 (see point 4.8.8.1 above).</p>	<p>The suggestions will be taken into account in further negotiations with the other institutions.</p>

<p>The Committee notes that in points A(4), A(5) and B(3) it is stated that the EC declaration of conformity must contain a declaration of conformity. This is confusing. Different wording is needed (especially in point (5)).</p>	<p>The suggestions will be taken into account in further negotiations with the other institutions.</p>
<p>The Committee feels that the following should be added to point B, Declaration of incorporation of partly completed machinery:</p> <ul style="list-style-type: none"> <li>– B(3): “and/or of the relevant requirements with which the partly completed machinery complies.”</li> <li>– After B(4), points A(9) and A(10) of the EC declaration of conformity.</li> </ul>	<p>The suggestions will be taken into account in further negotiations with the other institutions.</p>

**4. Proposal for a Directive of the European Parliament and of the Council amending for the twenty third time Council Directive 76/769/EEC relating to restrictions on the marketing and use of certain dangerous substances and preparations (substances classified as carcinogens, mutagens or substances toxic to reproduction – c/m/r)  
COM (2001) 256 final – September**

<b>Main points of the ESC opinion</b>	<b>Commission position</b>
The Committee fully endorses the Commission's initiative as it is intended to protect public health, safety and the environment.	Favourable opinion taken into account.
The Committee urges the Commission to act quickly on the White Paper on the Strategy for a Future Chemicals Policy. The Committee also stresses that the recast of Directive 76/769 should not be held up by the work relating to the chemicals White Paper.	The suggestions will be taken into account in further negotiations with the other institutions.

**5. Commission Communication on health and safety at work  
Exploratory opinion - ESC 937/2001 - July**

<b>Main points of the ESC opinion</b>	<b>Commission position</b>
The ESC is making a series of comments.	This opinion constitutes a basis for the ongoing preparation for the Community strategy in the area of health and safety at work, given that this is an exploratory opinion from the ESC, drawn up in response to a request from the Commission in anticipation of future work. Consequently, all of the points will duly be taken into consideration.

<b>6. Commission Communication on New European Labour Markets COM (2001) 116 final – September</b>	
<b>Main points of the ESC opinion</b>	<b>Commission position</b>
Requests that people with low qualifications and non-professional vocational skills be taken into consideration for the purposes of professional recognition.	This remark will be taken into account when preparing the Action Plan in accordance with the Communication.
Suggests the identification of ways and means whereby those who have been failed by the education system in the past could benefit from a lifelong learning strategy.	This will be addressed by a separate Communication on lifelong learning.
To give priority to educational initiatives which have proven effective in dealing with disadvantaged groups in primary and secondary schools and in preventing early dropout from the system.	This issue is beyond the scope of this Communication. The remark will be taken into account in preparing the Communication on lifelong learning.
To increase the numbers of secondary and tertiary-level students taking technical and scientific subjects, as high technical skills cannot be achieved overnight without a solid educational foundation in the appropriate subjects.	This remark will be examined when preparing the Action Plan in accordance with the Communication.
Equal treatment for migrant workers coming from third countries.	The Commission's views on this issue are in COM(2000) 757.
The potential of EURES should be developed (the information given is not yet comprehensive and not in all the EU languages).	This will be a priority for the EURES network in the coming years and will be related to the establishment of the One Stop Information Mobility Site, as indicated in the conclusions of the Lisbon European Council.
Mobilise all means necessary for the campaign on mobility, and not just the usual ones: use social partners and NGOs as relays, etc.; take low skilled and disadvantaged groups into consideration.	The Commission will try as much as possible to involve in this campaign the social partners and other relevant organisations working in this field with special attention to low skilled and disadvantaged groups.
Improve the economic and social conditions in underdeveloped regions because most citizens do not want to move.	This remark will be examined when preparing the Action Plan in accordance with the Communication. However, other existing EU policies – in particular, the Structural Funds – already address these issues.



Not enough attention paid to the integration of the candidate countries and their labour markets.

The Commission considers that the measures to be included in the Action Plan should be relevant to both the new and the current EU Member States.

<b>7. Proposal for a Council regulation on the common organisation of the market in ethyl alcohol of agricultural origin COM (2001) 101 final - July</b>	
<b>Main points of the ESC opinion</b>	<b>Commission position</b>
The Committee shares the view that it is useful to improve market information and to set up a forum responsible for examining problems raised in this sector. It also supports the need for a legal framework to attain these objectives;	The Commission proposal is a suitable response to this opinion.
The Committee has yet to be convinced of the added value of a CMO regime for alcohol of agricultural origin and insists that any CMO that does not include arrangements covering the entire alcohol market will be flawed.	The Commission is convinced that while there is a need to present measures in order to improve the transparency of the alcohol market, all of the provisions brought together in this proposal would be essential to attain this objective. Such a proposal, based on article 37 of the Treaty, is by definition known as a CMO. The Commission is discussing the possibility of adding the entire alcohol market to the proposal, at least for the purposes of data collection.
The Committee considers that if a CMO is established, it will need a dedicated Management Committee. The proposal to include agricultural alcohol within the remit of the Wine Management Committee is wrong. The alcohol sector is extremely complex and this complexity is growing.	Alcohol-related issues must be dealt with by national experts in this area within a suitable Committee. It appears that in the vast majority of Member States, "wine" experts are also responsible for alcohol and the Commission did not wish to increase the number of committees in the agricultural sector. The solution contained in the proposal is therefore the most realistic.
The Committee points to the need to harmonise definitions. At present the only EU definitions of "agricultural alcohol" are in Regulation (EEC) 1576/89 (for spirit drinks) and Regulation (EEC) 822/87 (for neutral alcohol of vinous origin). These differ in a number of ways from the definitions in the Common Nomenclature (CN), which is used for Customs and trade purposes, and which is the definition used in the proposal, Article 1. Article 1 should harmonise these definitions to avoid any confusion.	The definition of agricultural alcohol found in the regulations mentioned concerns specific types of alcohol, not covering all of the products subject to the application of the proposal. During work in the Council, it was agreed to delete Article 1(2) (definition of alcohol) and to determine the scope of the proposal solely on the basis of the CN codes.  A more detailed definition of certain types of alcohol could be developed on the basis of Article 2 of the proposal.

<b>8. Proposal for a Council Regulation amending Regulation (EC) No. 3072/95 on the common organisation of the market in rice COM (2000) 169 final - September</b>	
<b>Main points of the ESC opinion</b>	<b>Commission position</b>
The Committee endorsed the Commission proposal.	Favourable opinion taken into account.

<p><b>9. Proposal for a Council Regulation amending Regulation (EEC) No. 2358/71 on the common organisation of the market in seeds and fixing the aid granted in the seeds sector for the 2002/2003 and 2003/2004 marketing years</b>  <b>COM (2001) 244 final - September</b></p>	
<b>Main points of the ESC opinion</b>	<b>Commission position</b>
The ESC endorses the Commission's proposal to maintain the current level of aid.	The Commission notes the favourable opinion.
The ESC suggests that the Council and the Commission should discuss the possibility of making this aid valid for longer than the next two marketing years.	The Commission will take of this suggestion in future negotiations with the other Institutions and does not rule out the possibility of it being taken on board.
The Committee criticises the fact that the Commission did not take account of its previous opinion concerning the suppression of the distinction between <i>Lolium perenne L</i> seeds. It calls on the Council and the Commission to set a single rate for aid for this species of seeds in order to avoid penalising certain seed producers.	The Commission rejects this proposal. The Council had already in 1999 taken the decisions to suppress the distinction between amounts of aid for each of the three categories of <i>Lolium perenne L.</i> , to maintain it as a transitional measure for 1999/2000 and 2001/2002 and to replace it with a single sum of aid.
The ESC recommends examining the possible need to allow certain other seeds into the system.	The Commission wishes to reserve its position pending the results of negotiations with the other institutions.
The ESC rejects the Commission's proposal for the introduction of a stabiliser mechanism on the grounds that it is ambiguous, vague and insufficiently justified and also appears unnecessary.	To comply with provisions already adopted in the past for certain products in the seed sector and avoid any discriminatory treatment, the Commission proposal was worded using the same terms as for rice seeds, for which the provisions were approved by the Council in 1999. As far as justification is concerned, the Commission rejects this opinion; the general and continuous rise in production, surfaces under cultivation, stocks and budgetary expenditure justifies this proposal.

	<p>These justifications, well documented during the various stages of discussion of the proposals, were not contested by the Member States or by the ESC. The Commission rejects the ESC's opinion.</p>
<p>The ESC is doubtful as to whether in its report, alongside budget spending, the Commission considered other important objectives of the Treaty establishing the European Community and broader developments in the EU's agricultural sector.</p>	<p>The Commission rejects the opinion. The proposal is based on Article 37 of the Treaty. Moreover, in the explanatory memorandum, elements such as surfaces under seed and quantities produced, prices paid to producers, stocks, external trade and the actual possibilities for sale of the product and for the balance of the Community market are taken into consideration.</p>

<p><b>10. Council Regulation amending Regulation (EC) No. 1493/1999 on the common organisation of the market in wine COM (2001) 332 final - September</b></p>	
<p><b>Main points of the ESC opinion</b></p>	<p><b>Commission position</b></p>
<p>The Committee emphatically endorses the aims of the proposal for a Regulation and the two amendments to Article 11(3) and the second subparagraph of Article 15(b) of Regulation (EC) No. 1493/1999.</p>	<p>Favourable opinion taken into account.</p>
<p>In this connection, the Committee would refer to its opinion on prospects for young farmers, which is in the pipeline. At an ESC public hearing attended by the rapporteurs from the European Parliament, the Committee of the Regions and the Economic and Social Committee, and a delegation from the European Council of Young Farmers (ECYF), a particularly strong call was made for cutting young farmers' start-up costs, especially in the acquisition of production rights.</p>	<p>Article 5(3) a) of Regulation No 1493/99 on the common organisation of the market in wine states that “Member States may grant the rights allocated to the reserve without payment to producers who are under 40 years of age, who possess adequate occupational skill and competence, who are setting up for the first time on a wine producing holding and who are established as the head of the holding.”</p>

<p><b>11. Proposal for a Directive of the European Parliament and of the Council amending Council Directive 91/671/EEC on the approximation of the laws of the Member States relating to compulsory use of safety belts in vehicles of less than 3.5 tonnes COM(2000) 815 final – July</b></p>	
<p><b>Main points of the ESC opinion</b></p>	<p><b>Commission position</b></p>
<p>3.2 The report argues that more effort should be made to raise awareness through campaigns.</p>	<p>The Commission is currently planning to institute a 'seat belt use awareness raising campaign' early next year and it is hoped that this will coincide with the adoption of the proposal.</p>
<p>3.3 States that the use of seat belts should be extended to towns.</p>	<p>The aim of the directive proposed by the Commission is that seat belts be used by everyone, everywhere, with no distinction being made between town and out-of-town traffic.</p>
<p>3.4 Asks for a homogeneous and complete database of statistics.</p>	<p>As statistics are not part of the directive the proposal should be rejected.</p>
<p>3.5 States that front airbag should be de-activated when children are travelling in the front passenger seat, irrespective of the type of restraint being used.</p>	<p>The directive stipulates that the airbag should be de-activated if a rear-facing child restraint is used. There is no evidence to suggest that the risk of serious injury is present with any other type of restraint and it is considered that the danger of injury by an airbag is eclipsed by the potential benefit that the airbag can bring. Consequently, the proposal should be rejected.</p>
<p>3.7 The proposal recommends the use of airbag warning labels.</p>	<p>This provision is already contained in the relevant type approval Directive and is also encouraged by the EuroNCAP car assessment programme that the Commission is a party to.</p>

<p>3.8 This proposal entails the requirement to deactivate any frontal airbag (i.e. in the rear seating positions) when a rear-facing child restraint is used.</p>	<p>The Council has identified this point and their text makes the necessary revision. Forward facing airbags are only a reality in the front seats at the moment. However, the industry is working towards 'smart' systems that automatically deactivate offending airbags when rear-facing child seats are used.</p>
<p>3.9 This calls for the ISO-FIX system to be a mandatory standard.</p>	<p>Once this standard is finalised, adapting the type approval legislation will be considered.</p>
<p>3.10 Asks for the Commission proposal to mention that car manufacturers need to recommend the most appropriate child restraints for each of the models they manufacture.</p>	<p>The EU can not recommend anything other than the universal standard, UN-ECE Regulation 44.03. Nevertheless, consumer groups are campaigning on this issue with the result that the public will be given more precise information that exposes any installation difficulties.</p>
<p>3.13 States that the exemption for taxi drivers should be eliminated.</p>	<p>Whereas there is a safety case for such exemptions, in practice Member States must make their own judgements for their taxi drivers. Also, the idea of carrying a child restraint 'in the boot' ready for use if a small child is carried is considered to be too excessive and not cost-effective (judging by the number of lives that could be saved and the cost of requiring all taxis to carry a child seat).</p>
<p>3.14 States that car manufacturers must incorporate a system of sound and/or light signals to show when occupants are not using safety belts and calls on the Commission to encourage research in this sector.</p>	<p>The international body that develops car safety standards (European Enhanced Vehicle Safety Committee – EEVC) is already developing a proposal. Also, EuroNCAP is including any such devices in its assessment standard. Whereas this amendment is sound, it is not a fitting adaptation of the Commission's proposal, and its focus should be more on type approval legislation.</p>



<b>12. Proposal for a directive of the European Parliament and of the Council on the training of professional drivers for the carriage of goods or passengers by road COM (2001) 56 final – July</b>	
<b>Main points of the ESC opinion</b>	<b>Commission position</b>
4.1 In general the Committee endorses the Commission's proposal.	Favourable opinion taken into account.
4.2. The Committee feels that the Commission should specify the target group of the proposal.	The Commission agrees that the target group can be defined more precisely. As per point 3.1. of the opinion, "the Commission has given the Committee to understand that all goods vehicle drivers not listed among the exemptions set out in Article 3 of the proposal for a directive are covered by the definition, provided that they are using vehicles of more than 3.5 tonnes capacity. Drivers of passenger vehicles are covered if more than nine persons including the driver are being transported".
4.3. The Committee feels that the Commission concentrates on the quantitative aspect, i.e. the minimum number of training hours, and pays insufficient attention to examination standards.	The Commission has proposed a balance between hours of training combined with an examination as far as the compulsory initial training is concerned. No examination is foreseen for the continuous retraining. The Commission does not intend to change this approach but will consider whether there will be scope for further specifying the foreseen examinations in the course of the codecision procedure.
4.4. The Committee wonders whether this provision, which states that professional drivers should be required to undergo basic and continuous vocational training in the Member States in which they are normally resident, is not unnecessarily restrictive, particularly as the Commission also proposes the introduction of mutual recognition of diplomas and certificates.	The principle of normal residence should prevent the effect of "learning tourism" which the Commission has observed in the field of Community legislation on access to the profession and dangerous goods. However, the principle of normal residence may constitute an obstruction for the continuous retraining of cross-border professionals who, living in one Member State, would like to follow continuous retraining in the Member State where they are working. The Commission will give this problem due consideration.

4.5. The Committee points out that the requirements proposed by the Commission for trainers, i.e. five years practical experience as a professional driver and full basic and continuous training, will make it very difficult to find sufficient qualified staff. The Committee suggests that the Commission reconsider this part of the proposal.

The Commission is of the opinion that trainers should have practical experience as a professional driver. However, the precise number of years of experience will be a point of discussion during the codecision procedure.

<b>13. Impact on competitiveness created by differentials in road transporting vehicle duty and licensing taxation in the EU Member States Own-Initiative Opinion – July</b>	
<b>Main points of the ESC opinion</b>	<b>Commission position</b>
<p>6.1. The Commission should adopt taxation and charging structures which are ‘competitiveness –enhancing’.</p> <p>6.4. It is necessary to shift from taxes to charges.</p>	<p>The Commission shares the ESC opinion on these points. The adoption of a taxation and charging system which could enhance competitiveness and the need to shift from taxes to charges have been clearly expressed in the White Paper on European transport policy for 2010. These elements will also be taken into account in the drafting of a proposal for a new Eurovignette Directive.</p>
<p>6.5 and 6.6. The harmonisation of specific taxes and charging systems should improve the environmental impact of transport services in order to meet the Kyoto protocol obligations. In particular, a fiscal environment facilitating investments in research or technological innovation aiming at reducing CO2 emissions should be developed. Transport-related technologies should also be developed. Duties should be structured to offer incentives to ‘environmentally-friendly’ driving.</p>	<p>The White Paper on European transport policy for 2010 has stressed the relevance of the environmental factor and the need for further research in order to stimulate technological innovation. The Commission has pointed out that external costs should be taken into account in the setting-up of the charging system of the new Eurovignette Directive.</p>
<p>6.7. The annual motor vehicle charge should discriminate among types of vehicle according to their environmental impact and to infrastructure costs. Road charges should discriminate in favour of ‘road-friendly’ vehicles.</p>	<p>The Commission shares the ESC opinion on the need to apply different charges to different types of vehicles on the basis of their environmental impact and of infrastructure costs. Cleaner vehicles will attract lower road charges.</p>
<p>6.8. The Commission should harmonise the level of duties concerning inter-fuel differentials and Member States should set their own benchmark.</p>	<p>The Commission has already made a proposal to harmonise inter-fuel differentials. This proposal is still blocked in the Council.</p>
<p>6.9. The Commission should strengthen the financial support for research into new technologies in order to achieve a simpler and more efficient collection of charges.</p>	<p>The Commission is aware of the importance of using new technologies to facilitate the collection of charges and it is currently active in supporting the interoperability of toll systems on the trans-European road network.</p>

<b>14. Proposal for a Directive of the European Parliament and of the Council on occurrence reporting in civil aviation COM(2000) 847 final - September</b>	
<b>Main points of the ESC opinion</b>	<b>Commission position</b>
3.4 Provisions defining the authorities to which the reports must be sent.	The suggestions will be taken into account in further negotiations with the other institutions.
3.5 Ensuring that the terminology used is identical to that used by the OACI.	The suggestions will be taken into account in further negotiations with the other institutions.
3.6 Clear distinction between reports in accordance with Directive 94/56 and those in accordance with this proposal.	The suggestions will be taken into account in further negotiations with the other institutions.
4.1 Dispatch of reports via a company coordinator (Article 4).	Rejection of the suggestion. While in practice this is generally normal procedure, the way must be left open for them to be sent straight to the authorities to avoid any unjustified 'filtering'.
4.2 Information to be included in public reports (Article 7(3)).	The suggestions will be taken into account in further negotiations with the other institutions.
4.3 More extensive protection of reporters' anonymity (Article 8(2))	The suggestions will be taken into account in further negotiations with the other institutions.
4.4 No mandatory reporting for persons against whom charges may be brought (Article 8(4)).	Rejection of the suggestion: this provision in fact establishes that charges may not be brought against reporters.

<b>15. European programme of radio satellite navigation (Galileo) Own-initiative Opinion – ESC 1116/2001 – September</b>	
<b>Main points of the ESC opinion</b>	<b>Commission position</b>
Full support to the Galileo initiative.	Favourable opinion taken into account.
Joint Strategy EC, ESA, public authorities and private sector.	Favourable to this suggestion.
Calls for a Galileo Promotion Company to be set up.	Favourable, pending installation of the Joint Undertaking.
The ESC wishes to be kept regularly briefed.	Favourable to this suggestion.

**16. Proposal for a Directive of the European Parliament and of the Council amending Directive 97/68/EC on the approximation of the laws of the Member States relating to measures against the emission of gaseous and particulate pollutants from internal combustion engines to be installed in non-road mobile machinery  
COM (2000) 840 final - July**

<b>Main points of the ESC opinion</b>	<b>Commission position</b>
<p>The Committee is in favour of the Commission proposal but wants to limit the use of “Average and Banking” to a time period of 10 years.</p>	<p>The Commission proposal provides for a study to — if necessary — improve the system of averaging and banking. The Commission therefore takes note of the favourable opinion and will take into account the proposal for a time limit when carrying out the study.</p>

**17. Green Paper on Integrated Product Policy  
COM (2000) 68 final - July**

<b>Main points of the ESC opinion</b>	<b>Commission position</b>
<p>The opinion raises concerns in a number of areas, including education and training of stakeholders (pt 2.2), the participation of workers' representatives (pt 2.3), the elimination of perverse subsidies (pt 3.5), the role of standardisation (pt 3.7) and policies to support research and innovation for SMEs (pt 5.7).</p>	<p>These views represent a useful contribution to the stakeholder consultation exercise on the Green Paper and will feed into the Commission's drafting of the White Paper.</p>

<p><b>18. Proposal for a Decision of the European Parliament and of the Council concerning the multiannual framework programme 2002-2006 of the European Community for research, technological development and demonstration activities aimed at contributing towards the creation of the European research area</b></p> <p><b>Proposal for a Council Decision concerning the multiannual framework programme 2002-2006 of the European Atomic Energy Community (Euratom) for research and training activities aimed at contributing towards the creation of the European research area</b></p> <p><b>COM(2001) 94 final - July</b></p>	
<b>Main points of the ESC opinion</b>	<b>Commission position</b>
<p><b>General comments</b></p> <p>Comments concerning the specific programmes, the implementation of Article 169 and the rules of participation.</p>	<p>These suggestions are acceptable to the Commission and a number of them have already been reflected in the legislative proposals later included in the proposed framework programme for 2002-2006.</p>
<p>Points dealing with the structure of objectives and activities, the division of resources and the management of activities.</p>	<p>These points are incompatible with the innovations in terms of objectives, structure and methods of implementation which the Commission proposes to introduce to enable the 2002-2006 framework programme to make a full contribution to the development of a the European Research Area. The continuing development of the European Research Area, an objective which has been approved by all of the European institutions including the ESC, therefore requires that the recommendations in question not be taken into account.</p>
<p>Various points concerning the methods for the implementation of research activities.</p>	<p>These suggestions will be taken into account in the ongoing discussions intended to introduce some flexibility into the use of “traditional” instruments in priority thematic areas.</p>



<p><b>Specific comments</b></p> <p>Set an increase of about 50% in the overall Community RTD Budget as a medium-term political goal for the period beyond FP6 (Sixth Framework Programme) and call on Member States and industry to adopt a similar attitude.</p>	<p>This issue has already been settled by the current financial perspective.</p>
<p>Make a small increase in the overall budget of the framework programme, raising it from 17 500 to 18 930 million euros.</p>	<p>Rejection of the suggestion. The maximum overall amount proposed by the Commission fits into the financial perspectives for the period 2000-2006. The Commission estimates that this only offers a margin of approximately EUR 1 billion, which should be retained to enable the possible development of other Community policies.</p>
<p>Redistribute some of the financing provided for under Framework Programme 6.</p>	<p>The Commission wishes to reserve its position pending the results of negotiations with the other institutions. The indicative distribution of the maximum overall amount between the various actions and between research activities within each action will be subject to amending proposals by the European Parliament and the Council.</p>
<p>Ensure the continuity of the existing RTD programme and minimise the risks associated with the introduction of new untested structures and instruments.</p>	<p>The suggestions will be (partly) taken into account in further negotiations with the other institutions. The multiannual nature of the programming of the Community's research efforts means that there is some overlapping during transition from one framework programme to another. The decision to move towards a European Research Area will furthermore require the framework programme to be changed so that it can make a full contribution thereto. The risks inherent in any change of structure and extension of the range of instruments available are one concern.</p>
<p>Structure new instruments on the main principles of transparency and equal access in order to avoid closed shops, non-neutral sub-calls and the absorption of all financial resources by only a few large projects and networks.</p>	<p>The new instruments will be implemented with full respect for principles of transparency and equality of access; they will be selected on the basis of calls for proposals in accordance with transparent, fair and impartial procedures.</p>

	<p>The proposed rules for participation and for the dissemination of results <sup>1</sup> state that any possible changes to their composition will lead to open competitions in accordance with the principles of transparency, fairness and impartiality.</p>
<p>Apply both existing and proposed new instruments for FP6 in parallel: together they should become elements to be selected flexibly in a bottom-up approach and further developed according to the needs of the individual elements of the various thematic actions.</p>	<p>Reserved, pending the outcome of subsequent negotiations with the other institutions. The new instruments proposed by the Commission are intended to allow for better concentration of Community effort in the priority thematic areas. They develop numerous elements already tested during the fifth framework programme. Moreover, a range of other instruments similar to those of FP5 will be used for a significant part of the activities of the framework programme: specific targeted projects, coordination activities, collective and cooperative research activities, human resource development activities and moves to increase mobility, etc.</p>
<p>Complement new instruments with measures for tuition, training and feasibility/exploratory studies.</p>	<p>Reserved, pending the outcome of subsequent negotiations with the other institutions. These instruments have already been provided for in the Commission proposal, in chapters 1.2 (anticipation of the scientific and technological needs of the Union) and 2.2 (Human resources and mobility). They include specific targeted projects, coordination actions, collective and cooperative research activities, human resource development activities and moves to increase mobility.</p>
<p>Remodel FP6 around three main targets, as the Commission proposed, but with the following modifications: Target one should contain the long-term thematic priorities/actions, Target two short- and medium-term projects and Target three permanent activities;</p>	<p>Rejection of the suggestion. The structure of the framework programme in three blocks (integrate European research, structure the European Research Area, strengthen the foundations of the European Research Area) responds to the main objectives of the European Research Area. In the interests of the clarity and effectiveness of the Community research effort, this structure should be retained.</p>

<sup>1</sup> COM(2001) 500

<p>Reorganise the three Targets around five specific blocks of actions:  long/medium-term priority goals (thematic actions)  interaction between research and innovation, SME incremental research, networking, start-up facilities and the new regional initiative;  human resources mobility; international cooperation;  coordination of permanent activities and infrastructures.</p>	<p>Rejection of the suggestion. The reorganisation is pointless when the framework programme retains the structure proposed by the Commission (see above).</p>
<p>Introduce a specific heading “Energy and Transport” in the thematic actions to give more emphasis and visibility to the energy and transport problem, and particularly - in view of sustainable development - to renewable energy systems (including storage and distribution) and to energy saving (EUR 1,500 million).</p>	<p>The suggestions will be (partly) taken into account in further negotiations with the other institutions. Research into renewable energies and intelligent transport is already included among the <i>Technologies for sustainable development</i> in the priority thematic area “Sustainable development and global change”. Subject to the result of the negotiation with the European Parliament and the Council on this subject, renewable energies and intelligent transport could have a higher profile in this thematic area.</p>
<p>Strengthening the EURATOM Programme accordingly by efforts to increase the safety of nuclear energy (including production, transport and storage of nuclear waste), and by enhancing the development of the fusion option (fission EUR 350 million, fusion EUR 950 million);</p>	<p>Rejection of the suggestion. The proposed increase in the financial reference amounts for the implementation of the EURATOM framework programme is incompatible with the financial perspectives for the period 2000-2006, taking account of the margin needed for the possible development of other Community policies.</p>
<p>Define new instruments in greater detail (networks of excellence, integrated projects and actions under Article 169) and address the issues of control, decision-making processes, in/out dynamics and potential conflicts of interest.</p>	<p>The suggestions will be (partly) taken into account in further negotiations with the other institutions. Proposals for specific programmes <sup>2</sup> and the communication of the conditions for the implementation of Article 169 of the EC Treaty and the networking of national programmes <sup>3</sup> provide further details with regard to the definition of the new instruments. The operating methods of the integrated projects and of the networks of excellence are, moreover, described in the proposal regarding the rules of participation and dissemination of results <sup>4</sup> (including follow-up and technical, technological and financial audits, decision-making procedures, in/out dynamics and the resolution of conflicts of interest.) Model contracts, which will be the subject of consultation, will provide other details.</p>

<sup>2</sup> COM(2001) 279

<sup>3</sup> COM(2001) 282

<sup>4</sup> COM(2001) 500

<p>Harmonising the Community programme with the various national programmes by introducing a sufficient number of appropriate bodies and corresponding scientific/technical advisory groups.</p>	<p>Suggestions to be taken into consideration in the context of the adaptation of the existing provisions for the scientific and technical follow-up of the Community's research activities. The objective of the activities proposed in Chapter 3 (Strengthening the foundations of the European Research Area) is reinforcement of research activities and consistent development of research policies in Europe (networking, scientific and technological cooperation, benchmarking, cartography of excellence, etc.). Each of these activities is an opportunity to create links between Community and national programmes. However, there are no plans to harmonise research activities carried out at national and European levels in Europe.</p>
<p>Focus on leading-edge and longer-term research activities, including in enterprises and SMEs.</p>	<p>The suggestion is fully taken into account. Leading-edge and longer-term research activities are essential components of the 2002-2006 Framework Programme. Specifically, they are the main focal point of:</p> <ul style="list-style-type: none"> <li>(1) networks of excellence intended to foster excellence in Europe through the sustained integration of capacities for excellence in universities, research centres and companies;</li> <li>(2) activities intended to anticipate the Community's specific scientific and technological needs, which will provide particular support to research at the frontiers of knowledge, often in multi-disciplinary or interdisciplinary fields. These activities are open to enterprises, including SMEs.</li> </ul>
<p>Underline the need to increase the participation of SMEs in FP6 above current levels, in particular through cooperative research and collective research (EUR 700 million allocation);</p>	<p>The suggestion has to a large extent already been taken into account. In its proposal (in Annex II) the Commission proposed the objective of allocating at least 15% of the financing under budget heading "Integrating research" to SMEs, which represents an increase relative to the current framework programme.</p>

	In particular, the proposal provides for specific research activities for SMEs under the heading “Anticipating the EU’s scientific and technological needs”, to which the sum of EUR 450 million has been allocated in the proposal for the specific programmes <sup>5</sup> .
Clarify the issues of industrial and intellectual property rights (“IPR”) for activities under Art. 169 and the opening of national programmes; in this connection, instruments such as a “memorandum of understanding” between participating Member States could be developed.	Already taken into account in the two documents adopted by the Commission after COM(2001) 94. Those responsible for intellectual property regulations are primarily the Member States, since they propose the joint implementation of their national programmes. In its Communication on the implementation of Article 169 and the networking of national programmes <sup>6</sup> , the Commission has stated that rules in the area of intellectual property and related rules should be specified and compatible with the provisions of the rules for participation and dissemination of the results of the framework programme <sup>7</sup> . The decisions required for Community participation in programmes undertaken by several Member States will deal with the issue on a case-by-case basis.
Support the planning, development and operation of research infrastructures as integral elements of the European Research Area (ERA).	Favourable opinion taken into account. Activities forming part of “Research infrastructures” (Chapter 2.3) are intended to assist the development of a fabric of research infrastructures of the highest level in Europe and to promote their optimum use on a European scale.
Combine new instruments with other Community ones like regional funds to support the transnational regional development of clusters, networks or infrastructures.	Favourable opinion taken into account. The possibility of combining support from the Framework Programme, the Structural Funds and the EIB is provided for under “Structuring the European Research Area” (Chapter 2).
Support the trend — expressed by new instruments — towards decentralisation and strengthening of self-organisation and self-administration, and transfer the appropriations (which could amount to 7% of the budget) required for creating and maintaining related structures.	Favourable opinion taken into account. The considerable administrative autonomy granted to participants in networks of excellence and integrated projects will allow them to carry out their activities under conditions which they themselves have defined in accordance with the framework

<sup>5</sup> COM(2001) 279

<sup>6</sup> COM(2001) 282

<sup>7</sup> COM(2001) 500

	<p>constructed by the Commission, and to come to the most appropriate arrangements to ensure the proper realisation of the project. Participants will also be able to be flexible when defining their operating conditions, including in the form of new activities. These provisions will not lead to any transfer of responsibility by the public authorities.</p> <p>Management activities will be identified and may receive an allocation for the duration of the Community contribution. Therefore, there will be no “transfer of appropriations required for creating and maintaining related structures”.</p>
<p>Apply the principle that new measures should not lead to an overall increase in bureaucracy but should on the contrary reduce the cost and management burden of projects.</p>	<p>Favourable opinion taken into account. One of the major principles which came into play when the Commission proposal was being developed was the simplification and streamlining of the conditions for implementing the framework programme. Networks of excellence and integrated projects are given responsibility for administering simplified and decentralised procedures, closer to problems and solutions. In addition, the Commission has proposed to reduce the administration costs associated with the programme.</p>
<p>Emphasise the importance of human mobility for academia-industry relations, for the development of the ERA, for the inclusion of candidate countries and for international cooperation by directly allocating one-third of mobility appropriations to specific thematic areas.</p>	<p>Rejection of the suggestion. The importance placed on activities concerning human resources and mobility of researchers is reflected by the indicative amount proposed for activities specifically carried out under this heading described in Chapter 2.2 (EUR 1800 million).</p> <p>Supplementary actions will be conducted within the priority thematic areas, specifically through networks of excellence and integrated projects. Transferring to these a third of the amount provided for in Chapter 2.2 would, on the one hand, mean revising the ambitions of the European Research Area in the field of mobility and, on the other hand, would restrict the autonomous organisation and management of networks of excellence and integrated projects.</p>

<p>Support a strategic intelligence network within the ERA for monitoring and control of quality, excellence, transparency and the development of new perspectives.</p>	<p>Suggestion taken into account in subsequent negotiations with the other institutions. Activities provided for in the area of economic and technological intelligence under Chapter 2.1 (Research and innovation) and those geared to the consistent development of research and innovation policies in Europe under Chapter 3 (Strengthening the foundations of the European Research Area) are along the same lines. An explicit reference to the proposed network could be useful.</p>
	<p>Moreover, the system for the evaluation of research activities will firstly be adapted to allow increased involvement by external players and secondly be strengthened to become an element of research policy in its own right.</p>
<p>Enhance the scientific visibility of JRC institutes and their role by creating/appointing scientific advisory/supervisory panels of independent high-level experts (selected for instance by EURAB, the European scientific council), similar to procedures in institutions of scientific excellence in the Member States.</p>	<p>Suggestion taken into account in subsequent negotiations with the other institutions. The JRC will increase visibility and enhance the role of its institutes, on the one hand, by taking part in the framework programme research activities in the priority thematic areas and, on the other hand, by performing its task of scientific and technical support to Union policies in close cooperation and in networks with all those involved in research in Europe.</p>
<p>Consider the possibility of creating a new European Agency for RTD Management, under the direct responsibility of the Commission, for project proposals under the threshold of EUR 10 million.</p>	<p>Rejection of the suggestion. The establishment of such an agency would run counter to the goal of simplification and streamlining of administrative procedures by creating an extra administrative constraint on those involved in research.</p>

<p><b>19. Communication from the Commission to the Council, the European Parliament, the Economic and Social Committee and the Committee of the Regions - Creating a Safer Information Society by Improving the Security of Information Infrastructures and Combating Computer-related Crime COM(2000)890 final – September</b></p>	
<p><b>Main points of the ESC opinion</b></p>	<p><b>Commission position</b></p>
<p>Shares many of the views expressed in the Communication. It identifies a number of issues for further consideration.</p>	<p>Has taken the favourable opinion into account.</p>
<p>Pleads for continued emphasis on preventive measures and infrastructure security, apart from measures to combat cybercrime.</p>	<p>The Commission shares this view. Communications networks and information technology have become a critical part of the infrastructure of our economies. There is scope for action both in terms of preventing criminal activity through the reinforcement of network security and, if prevention fails, to ensure that law enforcement authorities have the appropriate means to act. The answers provided by the eEurope initiative include focused actions to increase Internet security and achieve trust amongst businesses and consumers. The Commission issued a Communication in June 2001, "Network and Information Security: Proposal for a European Policy Approach," that goes into further detail concerning infrastructure security. It outlines preventive measures, and announces further discussions with industry to explore preventive measures.</p>
<p>Recommends the introduction of legislative proposals to facilitate search and seizure of computer data and obtain expeditious preservation of specific data. Stresses that this is particularly important to improve the protection of victims.</p>	<p>The Council of Europe Cybercrime Convention contains provisions on these issues. This treaty was concluded in November 2001 by a large group of countries, including the EU Member States, and is now open for signature and ratification.</p>
<p>Expresses satisfaction with the announced initiatives on combating child pornography on the Internet, and recommends further approximation of laws and sanctions to combat religious sects, racist ideas, sexism and more generally the promotion of pornography and violence.</p>	<p>The Commission issued a proposal for a Council Framework Decision that includes a focus on child pornography on the Internet in December 2000 (COM(2000)854 of 21.12.2000), and a proposal for a Council Framework Decision that includes a focus on racism and xenophobia on the Internet in November 2001 (COM(2001)664 of 28.11.2001).</p>



<p>Recommends an analysis of the power of European States and the European Union to manage and control the large organisations which manage the Internet networks, and in particular refers to the lack of European influence in the Internet Corporation for Assigned Names and Numbers (ICANN).</p>	<p>This topic falls outside the scope of the Communication on which the Opinion comments. The Commission issued a Communication on “The Organisation and Management of the Internet: International and European Policy Issues 1998 – 2000” in April 2000 (COM(2000)202).</p>
<p>Asks that the tasks of national police units, specialised in combating cybercrime, be widened to include keeping detailed and pertinent public statistics on cybercrime, so that these statistics are not entrusted to the private research organisations, which still have very close links with the computer sector.</p>	<p>The Commission agrees that there is a clear need to gather reliable evidence on the significance of computer-related crime. Specialised cybercrime police units do keep records on the cases that are reported. With the growing general awareness of security issues, it is likely that the reporting of computer-related crime will improve.</p>
<p>Suggests that research be undertaken as part of the EU-supported RTD Programmes concerning two topics:</p> <ul style="list-style-type: none"> <li>• To what level of complexity can one develop the Internet without it becoming intolerably vulnerable?</li> <li>• What are the specific psychological features of cybercrime in the virtual world compared with traditional crime in the “real and concrete” world?</li> </ul>	<p>The Commission sees the importance of these issues. However, under the RTD Programmes, the Commission can not simply decide to pursue specific research projects: the RTD Programmes co-fund research following the submission and selection of research projects proposed by European companies or organisations. The Commission merely proposes the research areas on which the RTD Programmes concentrate and on which proposals may be accepted.</p> <p>Concerning the first topic: the core of ‘the Internet’ is actually quite simple, and for the most part devoted to transferring data to particular destinations. The complexity is to be found at the edges of the network, in systems that are connected, like the user’s PC and web servers, which often run sophisticated software. Simplification or standardisation of these systems is not an obvious option. In contrast, the security of the Internet is better achieved by diversity in hardware and software, which makes the Internet overall less vulnerable to attacks.</p>

Concerning the second topic: there is already an extensive amount of research undertaken and literature available on psychological and sociological aspects of the relationship of people with computers and the Internet, and some of this research focuses on computer-related crime.

Nevertheless, the Commission considers the topics raised in the Opinion as significant, and has forwarded the Opinion to the relevant officials in the RTD Programmes for consideration when decisions are taken for areas of focus of the Programmes.

<p><b>20. Proposal for a Regulation of the European Parliament and of the Council on the application of international accounting standards COM (2001) 80 final - July</b></p>	
<p><b>Main points of the ESC opinion</b></p>	<p><b>Commission position</b></p>
<p>Point 4.3 –The Committee stresses the need to plan ahead for the needs of SMEs so that a truly common basis for accounting may emerge in the EU as a necessary component of the Single Market.</p>	<p>The Commission shares the Committee’s opinion. Along with the draft regulation on the APPLICATION of international accounting standards, the Commission is currently preparing a proposal to update the fourth and seventh accounting directives in order to allow the emergence of a truly common basis for accounting, which also meets the needs of SMEs, in the EU.</p>
<p>Point 4.5 - the Committee reaffirms the importance of the availability of international accounting standards (IAS) and relevant interpretations in all the official languages of the Community.</p>	<p>The Commission is firmly of this opinion. Discussions in the Council and the European Parliament tend towards an amendment of the initial proposal. IAS standards validated at Community level will be published in their entirety in all the official languages of the Community.</p>
<p>Point 4.6 –The Committee draws attention to the need for measures to ensure full compliance with the new reporting requirements.</p>	<p>The Commission is firmly of this opinion. This obligation on the Member States stems directly from Article 10 of the EC Treaty. The Commission will liaise with the Member States in order to develop a shared approach to the effective application of IAS standards (“enforcement”) specifically with the support of the Committee of European Securities Supervision Authorities.</p>

Point 4.7 - the Committee stresses the need for the IASB to establish a dialogue with its American counterparts in order to establish a shared international framework in the area of financial information.

The Commission is firmly of this opinion and is working, in its contacts with the American authorities, particularly the US Securities & Exchange Commission, and with the IASB (International Accounting Standards Board) to promote the idea of the need for balanced convergence between IAS standards and the Generally Accepted Accounting Principles in the United States (U.S. GAAP). It is of fundamental importance that IAS acquire a truly international dimension so that financial statements drawn up by European issuers in accordance with IAS can be recognised with no need to be reconciled with U.S. GAAP when European securities are issued on the American market.

<b>21. Annual Report of the Cohesion Fund (1999) COM (2000) 822 final - July</b>	
<b>Main points of the ESC opinion</b>	<b>Commission position</b>
2.1.: Late adoption of the report.	The report for 1999 was only adopted in January 2001, much later than in other years. This is mainly due to the reorganisation of DG REGIO, which took place during the year 2000, and which led to the decentralisation of Cohesion Fund administration within the geographical units concerned. The report for 2000 is currently being adopted by the Commission.
2.3.: Balance of allocations between the environment and transport sectors.	After an initial period during which investment was heavily weighted in favour of the transport sector, the trend has progressively reversed in favour of the environment. Thus, for the entire period 1993-1999, transport represented 49.7 % of Cohesion Fund investments, as opposed to 50.3% for the environment. Moreover, within the transport sector, investment in rail rose noticeably towards the end of the period, particularly in Greece and Spain.
3.1.1.1.: Coordination with the Structural Funds.	The new programming period, 2000-2006, sees a major step in this direction. In fact, it develops "strategic reference frameworks", opening the way for <i>ex ante</i> definition of strategic priorities for each of the Funds concerned in each type of investment. Moreover, administration of the Cohesion Fund has now been integrated into the ERDF, following the reorganisation of DG REGIO. These two elements should encourage better coordination between the Cohesion and Structural Funds, principal instruments of social and economic cohesion policy.

**22. Memorandum on Lifelong Learning**  
**Own-initiative Opinion - SEC (2000) 1832 – ESC 1121/2001- September**

<b>Main points of the ESC opinion</b>	<b>Commission position</b>
Opinion generally favourable.	The Commission appreciates the decision of the ESC to give its opinion on the Commission staff working paper. The Commission also welcomes the Committee's endorsement of the Commission's approach to lifelong learning, as expressed in the Memorandum (3.3.). The opinion of the ESC is a valuable contribution to the consultation process. It forms part of the basis on which the Commission has reflected when preparing its Communication on a European Area of Lifelong Learning, which will be adopted in November 2001. Several of the proposals in the Opinion will be reflected in this Communication, although sometimes expressed in a different way to respect the structure and style of the Communication
3.4.2; 4.1.2.1; 4.2.1.1: the Committee responds to a number of basic questions raised in the memorandum.	The Communication will clearly propose lifelong learning as the overarching concept under which education and training policy should be developed.
4.2.4: Lifelong learning concerns everybody and is intended for everybody. Organised civil society therefore has an important role to play in the development of lifelong learning.	More specifically, the Communication will contain concrete proposals on how the implementation of lifelong learning can be promoted through cooperation between those concerned.
3.4.2; 5.1.1: The introduction of compulsory schooling is justifiably regarded as one of the major socio-political achievements of modern industrial societies.	The Commission will also suggest that Member States look into whether the right to education, as expressed in the Charter of fundamental rights, could be made more tangible.
4.2.3: The ESC stresses the role played hitherto by non-formal and informal education and training in the development of Europe's society and economy.	The importance of non-formal and informal learning, and the valuing of these forms of learning experiences, will be adequately reflected in the Communication through specific proposals on how to develop credible approaches to valuing non-formal and informal learning.

<p>4.3.4; 5.2, 5.3.1: The ESC proposes that a European cooperation project be set up between the Sixth European Framework Programme and the relevant European bodies.</p>	<p>The costs and benefits of investing in lifelong learning will be addressed through specific research proposals (4.3.4; 5.2), and research into innovative pedagogy will also be supported (5.3.1).</p>
<p>4.4: The ESC considers that the cost of providing lifelong learning must under no circumstances be allowed to lead to the exclusion of individuals, groups or regions from the above process and its benefits.</p>	<p>The need to prevent and combat exclusion will be recognised. This will be addressed both as an overall principle and in the form of targeted action.</p>
<p>5.6: The Committee welcomes the fact that the LLL memorandum explicitly recognises the potential for European institutions such as the ESC to promote and strengthen partnerships at local and regional level.</p>	<p>The Commission welcomes further cooperation with the ESC on the implementation of lifelong learning, based on the Commission Communication.</p>

<p><b>23. Proposal for a Council Directive amending Directives 66/401/EEC, 66/402/EEC and 66/403/EEC on the marketing of fodder plant seed, cereal seed and seed potatoes COM (2000)186 final - July</b></p>	
<p><b>Main points of the ESC opinion</b></p>	<p><b>Commission position</b></p>
<p>3.5.2.2 (new paragraph):</p> <p>“Legal guarantee”: A clear legal framework will have to be established so that, in the event of damage occurring due to bad seed quality or mishandling, the end user (the farmer) knows precisely which body is responsible for the damage caused in terms of either direct damage or lost profits, with a view to making a legal claim for compensation.</p>	<p>The Commission wishes to reserve its position pending the results of negotiations with the other institutions.</p>
<p>Paragraph 3.5.2.2.1 (new):</p> <p>The body against which the end user can instigate legal proceedings must always be the one which produces the seed and is responsible for its certification, i.e. the first link in the chain; this body can in turn also take action against the other bodies in the chain.</p>	<p>The Commission wishes to reserve its position pending the results of negotiations with the other institutions.</p>



<b>24. Communication from the Commission on a Community immigration policy COM(2000)757 final - July</b>	
<b>Main points of the ESC opinion</b>	<b>Commission position</b>
Support for the need to open legal immigration channels.	Favourable opinion taken into account.
Support for proposals concerning migrants as a factor in the development of their country of origin, with priority on education and vocational training.	Favourable opinion taken into account, and proposals to be examined in the context of the open coordination process.
Criticism of the use of a forced repatriation policy.	The Commission is preparing a Green Paper on the return policy, stressing that voluntary returns are given priority.
Support for a strengthened integration policy.	Favourable opinion taken into account. The Commission is investigating the suitability of proposing a European programme intended to strengthen integration policies.
Request for a more generous position as regards comparable rights for migrants.	The Commission will examine these proposals in the context of the open coordination process.
In favour of the development of the concept of civic citizenship.	Favourable opinion taken into account. The concept of civic citizenship will be examined in the context of the development of integration policies.
In favour of increased cooperation between Member State consulates in third countries.	Favourable opinion taken into account. This issue could be approached in the context of the open coordination method.
Requests the introduction of visas for persons seeking employment.	The Commission will examine this issue.

<p><b>25. Communication from the Commission to the Council and the European Parliament: Towards a common asylum procedure and a uniform status, valid throughout the Union, for persons granted asylum COM (2000) 755 final - July</b></p>	
<p><b>Main points of the ESC opinion</b></p>	<p><b>Commission position</b></p>
<p>Support for the objectives of the common procedure.</p>	<p>Favourable opinion taken into account.</p>
<p>Rejects the list of safe countries and safe third countries.</p>	<p>The Commission wishes to reserve its position pending the results of negotiations with the other institutions</p>
<p>Support for the “one-stop-shop”, including various guarantees.</p>	<p>Favourable opinion taken into account, and proposals to be examined in the context of ongoing studies.</p>
<p>Call for a flexible use of visa policy, criticism of fines on transporters, expression of interest in a European approach to resettlement.</p>	<p>In general, the Commission is examining measures intended to find a balance between the exercise of the right to request asylum and enjoy protection and the legitimate fight against illegal immigration and human trafficking. The Commission has launched a study into resettlement.</p>
<p>Criticism of the operation of the Dublin Convention.</p>	<p>Certain suggestions taken into account in the proposal of 27 July 2001 (COM(2001) 447 final) concerning an EC Regulation to succeed the Dublin Convention.</p>
<p>Support for the objectives of the uniform status.</p>	<p>Favourable opinion taken into account.</p>
<p>In favour of the integration of non-state persecution in the definition of refugee under the Geneva Convention and in favour of the creation of subsidiary protection in all the Member States.</p>	<p>Taken into account in the proposed directive of 12 September 2001 (COM(2001) 510).</p>
<p>Equality of rights between refugees under the Geneva Convention and those given subsidiary protection.</p>	<p>Partly taken into account in the proposed directive of 12 September (COM(2001) 510). Nonetheless, a gradual approach has been chosen concerning the rights of persons given subsidiary protection.</p>

Supports the concept of civic citizenship, but requests that this should be only one element of access to nationality.	The Commission is in favour of a joint examination of the issue of access to nationality for persons receiving international protection in the EU but stresses that access to nationality is not an area of Community responsibility.
Supports two-stage harmonisation based on the EC Treaty and the implementation of convergence methods.	Favourable opinion taken into account.
Importance of consulting the High Commission on Refugees, NGOs, representatives of civil society and the ESC.	Favourable opinion taken into account.
Possibility of signing up to the Geneva Convention of 1951, as this is now an area of Community competence.	The Commission will examine this issue.

<b>26. EU negotiations with Mercosur and Chile: Economic and social aspects Own-initiative opinion – ESC 932/2001 - July</b>	
<b>Main points of the ESC opinion</b>	<b>Commission position</b>
The ESC and the FCES proposed the establishment of a Joint Consultative Committee (JCC) in the framework of the Association Agreement EU-Mercosur.	The Commission supports this initiative and this Joint Consultative Committee is considered in Article III 8. of the proposed Association Agreements EU-Mercosur and EU-Chile.
One of the priorities for relations with Mercosur and Chile is to cooperate in international fora on strategic questions and other matters of common interest.	A provision highlighting the importance that both parties attach to coordinating their positions and undertaking joint initiatives in the appropriate international fora was inserted in the EU-Chile Association Agreement.
There has been an institutionalisation of parliamentary political cooperation between the EU and Mercosur and Chile.	This element is covered in Article 6 of the institutional framework of the EU-Chile and EU-Mercosur Association Agreements.
The weak growth of Mercosur exports to Europe, concluded with the significant growth of trade within the Mercosur bloc, means that the relative importance of the EU as a market for the Mercosur economies has declined.	The EU is the first trade and investment partner for the Mercosur market that will continue to be a promising import market for Mercosur in the coming years. The fact that intra Mercosur trade has increased more significantly is a positive signal, as it reflects the results of a further deepening of the Mercosur common market. The latter is a priority objective of the EU and the EU has been supporting strongly the integration.
For the socio-labour dimension of Mercosur, in which the ESC played an active part, it is intended that the EU should support this project.	The Commission is supporting this project and it will feature in the planning for 2002.
The ESC agrees that the deadline for conclusion of the negotiations with Mercosur and Chile should not be made dependent on the conclusion of the WTO negotiating round.	The Commission takes note.

<p>The ESC recommends that the future agreement with Mercosur and Chile make explicit reference to labour standards set out in ILO's 1998 declaration of principles.</p>	<p>This clause is not foreseen in the directives for negotiating the Association Agreement.</p>
<p>The future Association Agreements with Mercosur and Chile must facilitate cooperation and direct contacts between civil society players.</p>	<p>This element is foreseen in the memorandum for multiannual cooperation 2000-2006 signed by the Commission and Mercosur countries on 26 December 2001. With respect to the future Association Agreement, the relationship with civil society is well considered in Article III 9. Throughout the negotiations, the Commission has been and continues to be an active supporter of cooperation amongst civil society, through which interesting initiatives have been developed.</p>

<p><b>27. Human resources in the western Balkans</b>  <b>Own-initiative Opinion – ESC 534/2000 – April</b></p>	
<p><b>Main points of the ESC opinion</b></p>	<p><b>Commission position</b></p>
<p>The opinion document includes a long list of suggestions for strengthening approaches in the Balkans.</p>	<p>The Commission comments below therefore follow the broad headings set down in the document, followed by a specific comment on current “human resources” support.</p>
<p>Need to improve coordination and effectiveness of the reconstruction efforts, actors and actions.</p>	<p>The Commission shares the Committee’s views to a large degree. The Commission is actively involved in coordination efforts in the countries and at the regional level (G7, Stability Pact, etc) to achieve coherence and complementarity between the numerous actors involved in the region.</p>
<p>Establishing regional financial instruments.</p>	<p>The Commission CARDS programme was developed as a regional financial instrument to facilitate the participation of the countries in the Stabilisation and Association Process, the cornerstone of the EU’s policy for the region.</p>
<p>Recommendations for regional initiatives.</p>	<p>The Commission is actively supporting and participating in the areas listed under regional initiatives, including environment, media, social exclusion and poverty reduction, education and regional cooperation.</p> <p>The Commission is also actively involved in the Adriatic and Ionian Initiative referred to in the report.</p> <p>Lastly, the CARDS programme includes a regional programme to address the regional challenges facing the western Balkans, including promotion of regional cooperation.</p>
<p>Promotion of local involvement and empowerment through world and EU programmes.</p>	<p>The SAP and CARDS involve the countries directly, to promote the issue of local empowerment.</p> <p>The SAP and CARDS by definition are support vehicles for the reform efforts of the countries themselves. They must lead according to the agreed SAP approach, otherwise the whole process will be undermined.</p>

	<p>CARDS continues this aspect of ensuring local ownership by involving the countries throughout its cycle of programming, implementation and monitoring.</p> <p>Given the importance of civil society (including NGO activity) in the SAP, specific CARDS support plus support from the European Initiative for Democracy and Human Rights is being directed to promote civil society activities in the countries.</p>
<p>Specific recommendations on education</p>	<p>The report makes frequent reference to the importance of education.</p> <p>The CARDS programme is actively involved in this area, and furthermore:</p> <ol style="list-style-type: none"> <li>1. Vocational training is being supported through European Training Foundation activities, as this is viewed as a key area in helping countries through the transition phase and promoting gainful employment.</li> <li>2. University level education is being actively supported through the Tempus programme and support to regional networking.</li> </ol>
<p>Specific human resources support from CARDS.</p>	<p>CARDS has a budget of EUR 4.65 billion for activities in this region for the period 2000-2006. The Commission focuses much of this CARDS support on strengthening human resources in one form or another. The primary routes for this support are:</p> <ol style="list-style-type: none"> <li>1. support to education (see above)</li> <li>2. support to institution building, focusing to a large degree on training and awareness raising to strengthen the capacities of state institutions.</li> <li>3. support to civil society, enhancing the capacities of organisations such as including NGOs to carry out their valuable work.</li> </ol> <p>CARDS strategies for the period 2002-2006 will be finalised by the end of the year and reflect this continued focus on shoring up human resources in the region. However, these strategies must operate within the limits of budgetary resources and take into consideration the activities of other donors in this area, so as to ensure no overlap.</p>





<b>28. Human rights in the workplace Exploratory opinion - ESC 933/2001 - July</b>	
<b>Main points of the ESC opinion</b>	<b>Commission position</b>
Respect for the ILO's 1998 fundamental employment standards in international trade.	For the EU, workers' fundamental rights constitute an essential component of socially responsible globalisation, starting with the four fundamental rights identified by the ILO in 1998.
Promotion of an international and interinstitutional "social agenda" alongside the WTO agenda: inclusion of fundamental social standards in the area of work in negotiations for a new order in world trade.	<p>On 18 July 2001 the Commission adopted a Communication on the fundamental rights for workers and social governance: it proposes a strategy – based on incentives – which includes trade, development, international relations and social policy.</p> <p>The Doha Declaration, while disappointing on social issues, is a suitable foundation for ongoing efforts to promote social rights on the international stage. By referring to the ILO process on the social dimension of globalisation, the declaration implies its support for this important process.</p>
Insert, in bilateral free trade agreements, provisions regarding respect for and monitoring of international labour standards. .	The Communication of 18.7.01 provides for strengthening of the social aspect of bilateral agreements (the parties will subscribe to the ILO principles, and the EU will help with social development).
<p>Supplementary measures to place the following on the agenda for the next round of WTO negotiations with developing countries:</p> <ul style="list-style-type: none"> <li>- renegotiation of the TRIPS agreement;</li> <li>- improvement of market access for exports from developing countries;</li> <li>- exemption of developing countries from certain liberalisation obligations;</li> <li>- support by industrialised countries for developing countries in the use of the WTO's mechanism for settling disputes.</li> </ul>	<p>The TRIPS agreement leaves each country enough room to manoeuvre in conducting a policy suited to their own public health needs. The Doha Ministerial Declaration (November 2001) on intellectual property rights and health confirmed this interpretation. Moreover, the declaration stipulates that the implementation of the agreement must take account of the public health objectives of its members, with particular reference to the resolution of differences.</p> <p>The integration of developing countries into the world economy constitutes one of the guidelines of the Doha Declaration. Development has now been fully integrated into each subject of the Doha agenda. This was one of the objectives of the EU negotiations.</p>

	<p>Doha represented a step forward in four areas of trade policy with particular importance to development: market access for exports; better internal policies; a clearer role for developing countries in the multilateral negotiation process; strengthening of their capacity to benefit from the liberalisation of trade. The declaration also provides for a technical assistance programme to improve the trading capacities of developing countries.</p>
<p>Social responsibility should encompass all international organisations such as the ILO, the World Bank, the IMF, the WTO and UNCTAD.</p>	<p>The Communication advocates the establishment of a regular dialogue on trade and social development between the WTO and the ILO, and with the other international development agencies (UNCTAD, World Bank, IMF).</p>

**29. Proposal for a Council Regulation applying a scheme of generalised tariff preferences for the period 1 January 2002 to 31 December 2004  
COM(2001) 293 final – September**

<b>Main points of the ESC opinion</b>	<b>Commission position</b>
The report expresses a favourable opinion of the Commission proposal, and endorses it fully.	The proposal was adopted by the Council on 10 December 2001.
Temporary exclusion from the GSP: the Committee is concerned that an element of subjectivity may be brought into play.	The provisions on temporary exclusion for causing harm to the environment have been deleted. Provisions on exclusion for violating workers' rights have been reviewed.

<b>30. Malta on the road to accession Own-initiative Opinion – ESC 936/2001 - July</b>	
<b>Main points of the ESC opinion</b>	<b>Commission position</b>
1.3.1 Obstacles to membership.	The fact that there seems to be scarce internal political consensus does not necessarily hinder Malta's readiness for membership.
3.3 Referendum on membership.	Wording should be more cautious as this is an internal Maltese affair. Decisions have not yet been taken. Also, Labour's initial position on membership (withdrawal of Malta's candidature irrespective of result of the referendum) has slightly shifted during these last months.
3.6.1.1 Energy negotiations.	At this stage, the EU CP does not pre-empt the EU's final position vis-à-vis the application of the Electricity Directive in Malta.
3.7.7 Agriculture acquis.	Related to negotiations and to the Special Programme that Malta is devising: risk of swaying Malta's priorities.
3.9.4 Bird hunting.	Highly sensitive negotiations issue, but bird hunters' vote patterns are difficult to ascertain at this stage.
3.9.5 "double insularity".	The "double insularity" issue is mentioned as a problem only by Malta.
3.9.7 Backlog of judicial cases.	The situation has started to improve.
4.1 Stimulus for reform.	The last phrase is based on speculation.
4.2 Capacity building.	Important efforts are being made.
4.4 Number of transitional periods requested.	It is in line with other candidate countries.
4.9 Negotiations on agriculture.	This is an interference with the negotiations which, incidentally, have not yet started with Malta, nor has Malta provided its Special Package on Agriculture.
4.10 Standards of enforcement.	There is no such thing: there is acquis and infraction of the acquis.

**31. Bulgaria on the road to accession**  
**Own-initiative Opinion - ESC 931/2001 – July**

<b>Main points of the ESC opinion</b>	<b>Commission position</b>
<p>2.6. Current state of play concerning negotiations.            2.8. 19 chapters of the acquis under negotiation</p>	<p>For the time being (27 September 2001), 29 position papers have been elaborated and officially forwarded. Currently, 21 chapters have been opened and 11 of them have been provisionally closed.</p>
<p>3. The consultation process.</p>	<p>In its bilateral contacts with the Bulgarian authorities as well as in the Regular Report, the Commission has stressed the following: in policy areas which involve several departments and sectors (e.g. those related to preparation for structural funds), the quality of inter-ministerial coordination needs to be further improved. Also, while new laws go through a mandatory impact assessment, this process often remains superficial. In the early stages of preparing a law, consultation with affected parties (e.g. social and economic partners) is insufficient. Earlier consideration needs to be given to how laws will be implemented, to the required secondary legislation or regulations, to the impact on the budget, to requirements in terms of human resources as well as to the costs to economic operators. As this is lacking, there are frequently delays between the adoption of laws and their effective implementation. After new laws enter into force, more attention needs to be paid to monitoring their implementation and enforcement, including in the court system.</p>

<p>3.1. Consumer and health protection.</p>	<p>The EU encourages Bulgaria to continue its progressive legislative alignment with the “acquis”, to enhance coordination of enforcement bodies as well as to ensure effective implementation and to further promote and strengthen the role of independent consumer organisations. While the chapter on Consumer and Health Protection has been provisionally closed, the Commission has stressed, <i>inter alia</i> in its Regular Report, that progress in administrative capacity remains limited although considerable institutional infrastructure has been set up. The administrative capacity of the various institutions, in particular the Commission on Trade and Consumer Protection, needs to be strengthened in order to enforce the considerable <i>acquis</i> already adopted, to improve consultation mechanisms (including the drafting of legislation), out of court settlement and especially in order to establish and coordinate a functioning market surveillance system. A functioning system for an exchange of information in cases of discovery of dangerous products has to be further elaborated. More emphasis needs to be placed on coordination between the various enforcement bodies and independent consumer protection organisations.</p> <p>Close monitoring of progress in the adoption and implementation of the “acquis” will continue.</p>
<p>3.4.1. Involvement of social-economic interest groups in finding solutions for the difficulties faced by minorities.</p>	<p>In the context of a range of EU-funded programmes (e.g. Access or the Phare National Programme which includes a civil society component), the Commission supports the involvement of civil society in addressing the needs of ethnic minorities.</p>

<p>3.4.2. Kozloduy nuclear plant.</p>	<p>In November 1999, the Republic of Bulgaria and the Commission signed an Understanding on early closure of units 1-4 of the Kozloduy nuclear power plant. Taking into account the implications of early closure for the energy sector, the Commission has offered a multiannual assistance package under which projects “addressing the social impact of early closure” can, among others, be supported. The bulk of the assistance package is channelled through a “Kozloduy International Decommissioning Support Fund” administered by the EBRD. On 15 June 2001, the Republic of Bulgaria and the EBRD signed a framework agreement allowing the Fund to commence its operations. Project proposals are currently under preparation in Bulgaria.</p>
<p>5.3. The Commission should include the views of economic and social interest groups on the progress made by Bulgaria in its future Regular Reports</p>	<p>As in the past, the Commission’s Regular Report will also in the future take into account the views and contributions of a wide range of international organisations and civil society. In this context, the Commission has always welcomed contributions from economic and social partners.</p>

**32. Proposal for a Regulation of the European Parliament and of the Council amending Regulation (EC, Euratom) No 58/97 concerning structural business statistics  
COM (2001) 38 final - July**

<b>Mains points of the ESC opinion</b>	<b>Commission position</b>
<p>The Committee endorsed the proposal amending Regulation 58/97 without proposing amendments. The opinion of the ESC points to user needs, the necessary limitation of the costs imposed on businesses, the need for statistics on SMEs and environment, quality of statistics and confidentiality.</p>	<p>The Commission takes note of the favourable opinion of the Committee. A number of suggestions will be taken into consideration implicitly in the subsequent negotiations with the other institutions (e.g. environmental variables).</p>



**33. Proposal for a Regulation of the European Parliament and of the Council on the establishment of a common classification of Territorial Units for Statistics (NUTS)  
Own-initiative opinion - COM (2001) 83 final - ESC 930/2001 - July**

<b>Main points of the ESC opinion</b>	<b>Commission position</b>
The ESC approves the principle intended to provide a legal basis for NUTS.	Favourable opinion taken into account.
To determine the NUTS level at which non-administrative territorial units should be placed, the ESC proposes that their average size, rather than the size of each individual unit, be taken into consideration.	Rejects this viewpoint.  Non-administrative territorial units are defined to enable the collection and dissemination at Community level of regional statistical information which is as comparable as possible. The size of the units placed at any given NUTS level must be as homogeneous as possible. However, were the average size of the units to be taken into account as a criterion for classification, very large and very small units would be placed at the same level.
The ESC believes that the particular situation of islands and outermost regions should be taken into consideration.	Suggestion taken into account in subsequent negotiations with the other institutions.
The ESC urges the Commission to exercise its powers to adapt the NUTS only when there are clear-cut changes requiring such adjustment.	Suggestion taken into account in subsequent negotiations with the other institutions.
The ESC considers that it will sometimes be difficult for the Member States concerned to provide new historical data within two years of an amendment to NUTS being adopted.	Suggestion taken into account in subsequent negotiations with the other institutions.

**34. Proposal for a Council Regulation (EC, ECSC, Euratom) on the financial regulation applicable to the general budget of the European Communities  
Own-initiative opinion - ESC 927/2001 - COM (2001) 461 final**

<b>Main points of the ESC opinion</b>	<b>Commission position</b>
The ESC, broadly speaking, approves the Commission's initial proposal for a regulation.	Welcomes the favourable opinion and feels validated in its reform efforts.
The ESC considers that extending the authorising officer's powers and responsibilities would justify the inclusion in the text of rules governing his responsibility for the correctness and legality of the procedures which he uses and for the internal audit systems that are to be implemented.	These comments, which echo those of the European Parliament, have been taken into account: in the Commission's amended proposal, specific mention is made of the authorising officer's responsibility for either the correctness and legality of procedures (Article 60(1)) or the internal audit systems and responsibility (Article 60(4) and (7); Article 66(3)).
The ESC recalls that the function of financial controller is explicitly mentioned at Article 279 of the Treaty.	This point is covered by recital 17, which states that the amended proposal meets the requirements of Article 279 by defining the responsibilities of the persons in question.
The ESC considers it advisable for a clear distinction to be made between the duties of bookkeeping and management of the treasury in the case of the accounting officer.	These comments have been taken into account: in the amended proposal (Article 61(1)) the two duties mentioned are clearly separated.
The ESC considers that provision should be made for rules covering the disciplinary or financial liability of the authorising officer.	The Commission considers, as announced in the White paper, that the disciplinary or financial responsibility of authorising officers should be governed by the staff regulations.
The ESC suggests that the meaning of a legal commitment, as defined in Article 70, be more clearly spelt out.	The Commission stresses that the definition at Article 76 of the amended proposal (ex Article 70) is now clear and ties in with the Court of Auditors' suggestion.

<p>The ESC considers that the independence of the internal auditor should be expressly stated in the text of the Financial Regulation in accordance with the rules proposed by the Court of Auditors.</p>	<p>The rules and conditions under which the independence of the internal auditor can be guaranteed are explicitly stated in a provision concerning the methods of implementation along the same lines as the text proposed by the Court of Auditors.</p>
<p>The ESC recommends an evaluation of the manner in which the recently created rules have been applied in practice to grants.</p>	<p>The Commission accepts the comments and undertakes to present proposals along these lines. This point is covered by Article 189 (ex Article 173) which provides for a re-examination every three years.</p>
<p>Contrary to the opinion of the Court of Auditors, the ESC affirms that in the specific case of the EAGGF Guarantee Fund, earmarked revenue must be available only for applications coming under that Fund.</p>	<p>The Commission accepts these comments: within the meaning of Article 155 of the amended proposal, revenue is still earmarked exclusively for EAGGF Guarantee Fund appropriations, intended to finance either the CAP or rural development measures.</p>