

COMMISSION FOLLOW-UP
TO EUROPEAN ECONOMIC AND SOCIAL COMMITTEE
OPINIONS
DELIVERED DURING THE THIRD QUARTER OF 2003

(July and September 2003)

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- 1. Communication from the Commission to the European Parliament, to the Council and to the European Economic and Social Committee – Life Sciences and Biotechnology: a Strategy for Europe.
Progress Report
COM(2003) 96 final – EESC 920/2003 – July 2003
SG – PRESIDENT**

The Commission does not wish to follow up this point concerning its annual report on Life Sciences and Biotechnology. A second annual report is in preparation and will be forwarded to the Committee.

**2. Opinion addressed to the 2003 Intergovernmental Conference
Own-initiative opinion - EESC 1171/2003 – September 2003
SG - PRESIDENT**

The Commission will defer responding to this EESC opinion until the next quarter, after the end of the IGC, in order to have more information on which to base its response.

- 3. Proposal for a Directive of the European Parliament and of the Council on passenger hand-holds on two-wheel motor vehicles COM(2003) 145 final – EESC 921/2003 – July 2003
SJ and DG ENTR – President and Mr LIIKANEN**
- 4. Proposal for a Directive of the European Parliament and of the Council on stands for two-wheel motor vehicles
COM(2003) 147 final – EESC 922/2003 – July 2003
SJ and DG ENTR – President and Mr LIIKANEN**
- 5. Proposal for a Council Regulation on the common organisation of the market in raw tobacco
COM(2003) 243 final – EESC 938/2003 – July 2003
SJ and DG AGRI – President and Mr FISCHLER**
- 6. Proposal for a Council Regulation on the common organisation of the market in pig meat
COM(2003) 297 final – EESC 939/2003 – July 2003
SJ and DG AGRI – President and Mr FISCHLER**
- 7. Proposal for a Council Decision establishing a Committee on monetary, financial and balance of payments statistics
COM(2003) 298 final – EESC 1167/2003 – September 2003
SJ and ESTAT – President and Mr SOLBES MIRA**
- 8. Proposal for a Council Regulation establishing a Cohesion Fund
COM(2003) 352 final – EESC 1168/2003 – September 2003
SJ and DG REGIO – President and Mr BARNIER**
- 9. Proposal for a Directive of the European Parliament and of the Council on injunctions for the protection of consumers' interests
COM(2003) 241 final – EESC 1162/2003 – September 2003
SJ and DG SANCO – President and Mr BYRNE**
- 10. Proposal for a Directive of the European Parliament and of the Council on the harmonisation of the laws of Member States relating to electrical equipment designed for use within certain voltage limits
COM(2003) 252 final – EESC 1161/2003 – September 2003
SJ and DG ENTR – President and Mr LIIKANEN**

The Commission has noted the Committee's favourable opinions on these codified versions.

11. Proposal for a Directive of the European Parliament and of the Council relating to the protection of pedestrians and other vulnerable road users in the event of a collision with a motor vehicle and amending Directive 70/156/EEC
COM(2003) 67 final – EESC 919/2003 – July 2003
DG ENTR – Mr LIIKANEN

Main Points of the EESC Opinion	Commission Position
<p>4.3 The Committee supported the Commission's proposal and expressed its hope that it would be adopted quickly. The Committee called on the Commission to include in the explanatory memorandum a reference to the fact that the protection of pedestrians and cyclists from road accidents should form part of an overall approach.</p> <p>Specifically, the Committee asked for three aspects to be developed:</p> <ul style="list-style-type: none"> • Increasing the sense of responsibility of all road users; • Encouraging education and information, to ensure more respect for the highway code; • Promoting the physical separation of road and street users. 	<p>The Commission took these suggestions into consideration when amending the proposal following consultation of the EP.</p> <p>The amended proposal includes two new recitals, recital 3b) and recital 1a), which are in line with the Committee's suggestion that the protection of pedestrians should be part of a wider approach. In particular:</p> <ul style="list-style-type: none"> • New recital 3b) emphasises that the proposal is part of a <u>broader package</u> of measures to be implemented by the Community, the Member States and the industry, necessary to achieve a high level of pedestrian protection. • New recital 1a) stresses that a package of passive and active measures for improving safety, including improvements to infrastructures, is required in the context of the road safety action programme. <p>Moreover, on 22 October 2003 the Commission adopted a revision of European driving licence legislation. This proposal should contribute to reinforcing road safety to the benefit of all road users.</p>
<p>3.5 The Committee called on the Commission to lay down provisions for the withdrawal or adaptation of older cars over a period of five years from 2010, and to</p>	<p>The Commission could not follow up this proposal of the Committee. The proposal for a Directive on pedestrian protection, which forms part of the type-</p>

<p>establish a transitional period, ending in 2020, for the new Member States.</p>	<p>approval system, establishes the obligation to carry out specific tests to obtain type-approval for new vehicles only. Older cars are not covered by the type-approval Directives. Moreover, the Commission considered that, for technical, social and economic reasons, it would not be appropriate to lay down provisions requiring the withdrawal or adaptation of older cars.</p>
<p>2.5 The Committee asked that the final sentence of recital 3 of the proposal</p> <p>“..this Directive presents tests and limit values based on the EEVC recommendations....”</p> <p>be amended by addition of the following:</p> <p>“which constitute the final objective of the Directive if by July 2004 new alternative measures with the same effects have not been formulated.”</p>	<p>The Commission could not follow up this Committee suggestion, as Article 5 of the proposal states that the Commission should carry out a feasibility assessment by July 2004 and that only after that assessment may the Commission consider submitting proposals to amend the Directive.</p>
<p>Finally, the Committee welcomed the recast of the framework Directive on type approval and hoped that the update of the Framework Directive could take place in consultation with all the stakeholders.</p>	<p>The Commission adopted the proposal for the recast of the framework Directive (COM(2003) 418, of 14 July 2003), following consultation with all interested parties.</p>

12. Industrial Policy in an Enlarged Europe COM(2002) 714 final – EESC 935/2003 – July 2003 DG ENTR - Mr LIIKANEN	
Main Points of the EESC Opinion	Commission Position
<p>The EESC's main reservation concerns the fact that even if EU enlargement has positive effects overall it will inevitably involve some degree of risk in terms of industrial competitiveness and, for certain economic agents, potentially significant adjustment costs.</p>	<p>The Commission continues to believe that enlargement will, in the main, have positive repercussions for industry. However, it is aware of the need for continued discussion and more detailed analysis of this impact and the ways in which industrial policy could help make these adjustments easier. To this end, it proposes to make use of the opportunity provided by the preparation of a new Communication on industrial policy, which is due to be presented during 2004.</p>

13. Industrial change: current situation and prospects - An overall approach Own-initiative opinion – EESC 1180/2003 – September 2003 DG ENTR – Mr LIIKANEN	
Main points of the EESC opinion	Commission Position
Support for the direction taken in the Communication on ‘industrial policy in an enlarged Europe’, with particular emphasis on the importance of the sectoral dimension.	The Commission welcomes this.
Usefulness of the open coordination method (OCM) in the field of industrial change.	The Commission is prepared to examine the development of the OCM in order to deal with these questions.
2.1.1-4.19 Need for a proactive and anticipatory approach to industrial change; social dialogue could have an important role to play here.	The Commission shares this view and intends to examine the issue of industrial restructuring in its next Communication on industrial policy.
2.2.2.10 Need for sectoral policies that take account of economic change in the candidate countries.	The sectoral dimension of the enterprise policy will in future be developed with the new Member States and will have to take account of the need for structural adjustments.
2.2.2.10 Current lack of dialogue with the candidate countries on the issue of industrial change/restructuring.	<p>It is not entirely correct to speak of a lack of dialogue on restructuring in the traditional sectors. This dialogue has taken place and continues to take place in the steel, textile or shipbuilding sectors, although not necessarily under the aegis of the Commission (but with its participation).</p> <p>There is a more noticeable lack of general dialogue on the extent of industrial change in an enlarged Europe.</p>
<p>3.6 Need for interaction by the interested parties to contribute to the re-industrialisation of areas affected by change/restructuring.</p> <p>See the example of the steel sector to which reference is made.</p>	Agreement with the principle of joint action (public authorities, industry and workers), aimed at avoiding trauma in the areas affected by the phenomenon, through the implementation of the appropriate support measures (e.g. retraining programmes) to create the conditions for sustainable development.

<p>4.3 In favour of a horizontal industrial policy enabling the development of sectoral approaches directly linked to industrial change at the same time.</p> <p>Need for participation by all players in the context of industrial restructuring, particularly in the candidate countries.</p>	<p>The development of a sectoral approach, in the more general context of a horizontal industrial policy, should take the form of better anticipation and management of the social and regional consequences of industrial change.</p> <p>In a sectoral approach, structured social dialogue plays an important role in the success of industrial change/restructuring.</p> <p>The establishment of a dialogue involving all interested parties, particularly in the context of industrial restructuring in the candidate countries, is of great importance for the Commission.</p>
<p>4.13 Any sectoral approach must be accompanied by consultations with all those involved and social negotiations in the case of restructuring (point 4.3). Promotion of new forms of social dialogue.</p>	<p>It is true that there is still some way to go before social dialogue is fully established in the candidate countries.</p>
<p>4.4 Respect for rules/decisions adopted at Community level.</p>	<p>There is a need for systematic monitoring of respect for Community rules, particularly during the delicate process of the accession of ten new countries in 2004.</p> <p>In the steel sector, moreover, there are plans to monitor the processes of restructuring with a view to enforcing respect for the agreements concluded with the countries concerned.</p>
<p>4.5 Importance of sectoral representation in the EU legislative process and need for effective implementation of the strategies developed in the area of competitiveness and industrial change.</p>	<p>In most cases, sectoral representatives are involved (at least at the initial stage) in the EU decision-making process.</p> <p>The implementation of the December 2002 Communication on industrial policy resulted in this approach becoming more systematic.</p>

<p>4.6 Importance of good coordination between the various Community policies relevant to this area.</p>	<p>The Commission fully shares this view, which was incidentally highlighted in the Communication on “industrial policy in an enlarged Europe”. It is also making great efforts to put it into practice in the context of the screening exercise for Community policies in respect of their impact on industry and competitiveness.</p>
<p>4.7 – 4.10 Importance of the assessment of the impact of proposals (specifically their impact on SMEs).</p>	<p>The Commission fully shares this view and attaches a great deal of importance to the quality of its impact assessments.</p>
<p>4.8 - 4.9 Importance of the innovation dimension and of the development of ties between research and industry.</p>	<p>This dimension is at the heart of the Commission’s concerns: Communication on innovation policy, the so-called “3%” Action Plan.</p>
<p>4.11 Maintenance of coherent rules on state aid and continued action through the WTO against the imposition of taxes on steel (ex. Section 201 USA).</p>	<p>The code on multisectoral aid currently in force, which makes specific provisions for the steel and welded tube manufacturing sector among others, provides the necessary guarantees.</p> <p>In order to guarantee fair competition rules, the Commission will continue its action through the WTO against the USA’s safeguards on steel and is taking an active role in the discussions in the OECD on the elimination of subsidised capacities and the ban on all aid for new capacities.</p>
<p>4.12 Commission vigilance with regard to the application of WTO rules.</p>	<p>As far as the steel sector, which is one of the areas mentioned, is concerned, the Commission has spared no effort in taking action against the various American measures (safeguards, antidumping, etc.). The Commission was swift to react to these American measures in the interests of the Community industry.</p>

<p>4.13 Recommendation that the positive experiences of the Rechar, Resider and Retext programmes be taken into account in the modernisation of 'single-industry' regions in the existing and future Member States. Establishment of new forms of social dialogue and introduction of temporary accompanying measures.</p>	<p>The Rechar, Resider and Retext programmes have made a noticeable contribution to the restructuring of the old coal and steel sectors. However, there are currently no plans to implement similar programmes in future or to establish new forms of social dialogue.</p>
<p>4.14 Recommendation to transfer the industrial modernisation experiences of the Rechar, Resider, and Retext programmes (point 4.13). Publicise experience of close cooperation between public authorities, social partners, businesses and other economic players.</p>	<p>Transfers of experience should in fact be encouraged more, particularly with an eye to the use of the Structural Funds for industrial modernisation by the future Member States.</p> <p>There are currently no plans to launch programmes similar to Resider or Retext to facilitate the remaining structural adjustments.</p>
<p>4.17 Idea of the creation of sectoral monitoring centres to help anticipate change.</p>	<p>The Commission, for its part, proposes to examine the sectoral aspects of the issue of industrial change in the context of the sectoral analyses of competitiveness that have recently been launched.</p>
<p>4.18 Idea of learning from the companies with the best record in handling restructuring processes.</p>	<p>The Commission is prepared to assess the feasibility of such an approach founded on the dissemination of best practices.</p>
<p>4.18 Evaluation of the companies with the best record in handling restructuring processes on the basis of knowledge, sustainability and social programmes (Lisbon Strategy).</p>	<p>Industries in the coal/steel sectors are certainly among those that have attained these objectives, particularly in respect of social programmes. The usefulness of an evaluation of the results of these restructuring processes should in any case be the subject of in-depth study.</p>
<p>4.19 Reconcile environmental protection with productive balance, the development of competitiveness, social conditions and employment by establishing a permanent dialogue between local players and public authorities and social dialogue within undertakings.</p>	<p>The usefulness of permanent dialogue within undertakings and between all interested parties has been demonstrated in various fields and particularly in the coal/steel sectors during the period of application of the ECSC Treaty. These experiences remain an essential point of reference for the Commission's industrial policy programmes.</p>

<p>14. Innovation policy: updating the Union's approach in the context of the Lisbon strategy COM (2003) 112 final – EESC 1175/2003 – September 2003 DG ENTR – Mr LIIKANEN</p>	
<p>Main points of the EESC opinion</p>	<p>Commission position</p>
<p>1.9. The Committee welcomes this Communication and considers that it can provide a basis for strengthening innovation capabilities throughout the European Union.</p>	<p>The Communication will be one of the starting points of a plan of action on “Innovation” scheduled for 2004. It is envisaged that one of the cornerstones of this plan will be the establishment of a common framework for the analysis and assessment of innovation performances and policies.</p>
<p>4.3.1 The Committee considers that, as part of the mutual learning process, it would be particularly valuable for the Commission to organise round tables at sectoral level in order to make it easier to pass on information about best practices in business innovation. It stresses the importance of involving the main players – company heads and workers – in the development and application of innovation policies.</p>	<p>The Commission will take account as far as possible of the Committee's comments when preparing its work. Furthermore, the Committee's opinion will be taken into account in the analysis and consultations for the finalisation of the “Innovation” action plan.</p>

<p>15. Green Paper Entrepreneurship in Europe COM(2003) 27 final - EESC 1173/2003 – September 2003 DG ENTR – Mr LIIKANEN</p>	
<p>Main points of the EESC Opinion</p>	<p>Commission position</p>
<p>In response to the Green Paper, the EESC has put forward its suggestions on entrepreneurship policy.</p> <p>The EESC asks for the Action Plan to be structured around (1) building an enterprise culture and (2) providing support to businesses.</p> <p>Areas for action to include access to public markets; alleviating the tax burden; listening to SMEs; ensuring a variety of finance options; supporting SMEs in making the most of the Internal Market; access to client-oriented support and training; the effects of enlargement on SMEs; no discrimination in social protection between employees and entrepreneurs; facilitating business transfers; encouraging spin-offs and review policy practices in Europe; and encouraging the spirit of entrepreneurship.</p> <p>Since entrepreneurship cuts across different policy areas, the EESC calls for a coordinated approach involving policy-makers at EU, national and regional levels. It also calls for systematic analysis to build a better understanding of SMEs and to perform systemic benchmarking.</p> <p>The EESC proposes building synergies between the Action Plan and ongoing activities, such as the Employment Strategy and the Charter for Small Enterprises.</p>	<p>The EESC report provides suggestions on future policy-making on the basis of questions raised by the Commission in its Green Paper 'Entrepreneurship in Europe'. Whether or not the Commission will take these into account, and to what extent, cannot be confirmed at this point in time.</p> <p>The Commission is drawing up an Action Plan on Entrepreneurship on the basis of the responses received in the context of the public consultation that followed the publication of the Green Paper. While examining the suggestions made during the public consultation, which will serve as input for the future Action Plan, the Commission will of course give due consideration to the EESC position.</p> <p>At present, the Commission is analysing the merits of different policy options. This will take place during the second half of 2003, after which the Action Plan will be adopted.</p>

<p>16. European Defence Policy COM (2003) 113 final – EESC 1160/2003 - September 2003 DG ENTR and DG RELEX – Mr LIIKANEN and Mr PATTEN</p>	
<p>Main points of the EESC opinion</p>	<p>Commission position</p>
<p>The Committee welcomes the Communication as timely and can agree with most of the actions proposed. However, the opinion stresses the predominance of the Member States in respect of the content and speed of the development of the EU's defence equipment policy. It calls on the Commission to make the envisaged contributions to the Communication while remaining, as it were, in the Council's wake.</p>	<p>Given that the opinion does not require any specific action from the Commission, there is no need for a specific follow-up to the EESC's opinion. (However, it was useful for us to take part in the work and become familiar with the content of the final report.)</p>

17. Horizontal mergers
OJ C 331/18 - EESC 1170/2003 – September 2003
DG COMP – Mr MONTI

No Commission follow-up.

**18. Proposal for a Council Regulation on the control of concentrations
between undertakings
COM(2002) 711 final - EESC 1169/2003 – September 2003
DG COMP – Mr MONTI**

No Commission follow-up.

<p>19. Healthcare Own-initiative Opinion - EESC 928/2003 – July 2003 DG EMPL – Mrs DIAMANTOPOULOU</p>	
<p>Main points of the EESC Opinion</p>	<p>Commission Position</p>
<p>5.1 With due regard for the respective competencies of the Member States and of the EU, problems raised and contributions made by numerous players, the EESC proposes a series of measures which are the result of using the Open Method of Coordination (OMC), detailing objectives and principles in an approach to healthcare and long-term care for the elderly.</p>	<p>The Commission welcomes the Committee's opinion based on COM (2001) 723 on the Future of Healthcare and Care for the Elderly. Some of the measures proposed by the EESC will be taken into consideration as part of the Commission's follow-up to the conclusions of the high-level Reflection Group on Patient Mobility and Healthcare and when drawing up the next Commission Communication in spring 2004, which will set out further proposals for the intensification of the cooperative exchange in the field of healthcare and care for the elderly.</p> <p>Some of the measures proposed by the EESC are already in place or are being put in place, e.g. the development of a European Health Insurance Card, activities in the public health area through the new Community action programme for public health, and in the Internal Market area.</p> <p>The Commission welcomes the Committee's strong support for the use of the Open Method of Coordination in the areas of healthcare and care for the elderly, and the identification of many important issues concerning healthcare at European level.</p>

5.3 In order to establish the OMC, make it visible and credible and give it a solid basis, the Committee considers it essential to set up a simple, flexible and efficient structure responsible for a series of priority actions as set out in this opinion.

As far as the handling of the OMC process is concerned, the Social Protection Committee has been set up in accordance with Article 144 of the Treaty, and provided with sufficient resources for its work. The European Convention has also added activities similar to the OMC to the public health area under Article III-179 of the proposed Constitutional Treaty.

A number of Observatories in this area and a new Community action programme for Public health, including far-reaching health information activities, have been set up.

<p>20. Practical application of the European Works Council Directive (94/45/EC) and on any aspects of the Directive that might need to be revised Exploratory Opinion – EESC 1164/2003 – September 2003 DG EMPL - Mrs DIAMANTOPOLOU</p>	
<p>Main points of the EESC Opinion</p>	<p>Commission position</p>
<p>The opinion draws on a wide range of research and experience with European works councils to present a comprehensive and balanced view of progress to date under the Directive. It provides useful insight on issues such as</p> <ul style="list-style-type: none"> -progress to date in creating EWCs -the negotiation of EWC agreements -the mode of operation of EWCs -their evolving and dynamic nature -their contribution to social dialogue, and -the implications of enlargement. 	<p>The opinion, drawing as it does on a wide range of research and comment reflecting both employer and employee perspectives on the application of the Directive, will prove very useful to the Commission in framing its forthcoming consultation of the social partners on the revision of the Directive.</p>
<p>The opinion identifies a number of 'open questions' regarding the application of the Directive, such as the timeliness of information and consultation, the scope of the Directive, the rights of EWC members, etc., but indicates that EESC members are divided on the significance of the findings and views put forward: while some feel that the opinion should simply provide a corpus of information without seeking to influence future social partner discussion, others believe that it should be possible to use the findings to assess aspects of the Directive that need to be revised.</p>	<p>The Commission has indicated its intention to formally consult the social partners, as required under Article 138 of the Treaty, on the revision of the Directive and will do so before adopting a position on any particular issue that may need to be addressed. It will take account of the Committee's views in adopting its position.</p>

21. Report from the Commission to the European Parliament and the Council on certain aspects of the markets for preserved milks and drinking milks
COM(2003) 372 final – EESC 1177/2003 – September 2003
DG AGRI – Mr FISCHLER

There will be no follow-up to this opinion, since the EESC accepts the Commission's proposal without further ado.

<p>22. Proposal for a Directive of the European Parliament and of the Council on ship-source pollution and on the introduction of sanctions, including criminal sanctions, for pollution offences COM (2003) 92 final – EESC 755/2003 – June 2003 DG TREN – Mrs DE PALACIO</p>	
<p>Main points of the EESC opinion</p>	<p>Commission position</p>
<p>3.2.2 - The Commission is invited to take stock of the implementation of Directive 2000/59/EC.</p>	<p>Independently of the ongoing infringement proceedings for failure to transpose Directive 2000/59/EC, the Commission is examining the compliance of national implementing measures with the Directive. Furthermore, the European Maritime Safety Agency's work programme for 2004 includes plans to cooperate with the Member States to identify ways to resolve the difficulties in implementing this Directive.</p>
<p>3.4.1 – The EESC calls on the Commission to carry out a comparative study of national legislations in order to get a clear picture of the existing sanctions in the EU, in application of the MARPOL convention.</p>	<p>After the sinking of the Prestige, the Council had called on the Commission to react as quickly as possible by presenting this draft directive. It had therefore not been possible to launch such a comparative study. But the Commission had been able to refer back to work already under way in the context of the International Maritime Organisation. It should also be noted that for 2004 projects related to the fight against criminal ship-source pollution are given priority for funding from the AGIS programme in the field of judicial cooperation on criminal matters.</p>
<p>3.6 - The EESC calls on the Commission to rationalise the terminology used in the proposal for a Directive, the proposed Framework Decision as well as the proposal for a Directive on the protection of the environment through criminal law, and remove the inconsistencies between these three documents.</p>	<p>The text may well be rationalised during negotiations in the European Parliament and the Council.</p>
<p>3.7 - The EESC urges the Council, the European Parliament and the Commission to ensure that actions against alleged polluters</p>	<p>The Commission has taken these requirements into account in the more horizontal context of judicial</p>

<p>are accompanied by all legal guarantees for the respect of human rights, due process, the presumption of innocence of the accused and the right of appeal.</p>	<p>cooperation on criminal matters. It will therefore propose, before the end of 2003, a framework decision on the procedural safeguards for suspects and defendants in criminal proceedings within the European Union. Moreover, discussions are ongoing with a view to the adoption by the Council of a framework decision on the application of the <i>ne bis in idem</i> principle.</p>
<p>3.7.1 – The EESC asks the Commission to make proposals for the protection of masters and other crew members involved in such incidents.</p>	<p>Ibid.</p>
<p>3.9 – The EESC asks for it to be made clear that criminal liability can be imposed only in respect of the personal fault of the defendant, whoever it may be. The conditions for vicarious criminal liability must be exceptional and clearly defined.</p>	<p>The Commission finds it interesting that the EESC should suggest that the conditions for the liability of legal persons be included in its proposal for a directive. These suggestions could be taken into account during later negotiations with the other institutions.</p>
<p>4.1 – The EESC proposes that an explicit distinction be made between punishment and compensation.</p>	<p>The Commission takes the view that the following provision, in recital 7, is sufficient guarantee in this respect: “Measures of a penal nature are not related to the civil liability of the parties concerned and are thus not subject to any rules relating to the limitation or channelling of civil liabilities, nor do they limit the efficient compensation of victims of pollution incidents.”</p>
<p>4.2 - The EESC calls on the Commission to deal with sanctions for pollution from pleasure craft in a separate legal instrument in the near future.</p>	<p>The Commission specifies that pleasure craft are not excluded from the scope of the Directive: for the purposes of the Directive, a ship “shall mean a seagoing vessel, irrespective of its flag, of any type whatsoever operating in the marine environment”.</p>
<p>4.3 – The EESC considers that explicit provision should be made for sanctions against pilots, public administrations and other public authorities.</p>	<p>The Commission considers that no group of people involved in committing the acts in question should be excluded a priori from the scope of its provisions. For this reason, the Commission has made a broad reference to “any person (i.e. not only</p>

	<p>the shipowner but also the owner of the cargo, the classification society or any other person involved)” (Article 6(2)). Pilots, public administrations and other authorities are therefore not excluded a priori, except when they are “acting in the exercise of their prerogative of public power” (Article 2 (6)), the latter limitation being standard in Community, Union and even international legal texts.</p>
<p>4.4 – The EESC calls on the Commission to replace “gross negligence” with a more appropriate term having no lesser effect than that intended by the Directive and ensuring uniformity of interpretation and application across Member States.</p>	<p>The Commission is well aware that this term may be interpreted differently from one Member State to another. It would ideally tend towards encouraging a uniform interpretation. In view of the considerable difficulty of such an exercise, however, and in order not to run the risk of lowering the minimum standards, the Commission would prefer to maintain the status quo at this stage.</p>
<p>4.4 – The EESC calls on the Commission to examine the appropriateness of including accidental pollution in the scope of the Directive.</p>	<p>In its initial proposal the Commission proposes covering accidental pollution once it is “intentional” or results from “gross negligence”: the reference made in Article 2(3) to “discharges resulting from damage to the ship or its equipment, which are exempted under Marpol 73/78 Annex I, Regulation 11(b) and Annex II, Regulation 6(b)” should therefore be read in this light.</p>
<p>4.4.1 - The list of proposed sanctions is far-reaching and should be reviewed bearing in mind the proportionality principle.</p>	<p>The proposal for a directive tends towards requiring effective, proportionate and dissuasive – and where necessary criminal – sanctions to be imposed at national level, including prison sentences for physical persons in the most serious cases (Article 6). A list of sanctions is, moreover, provided in Article 6(5). This list remains purely indicative, however, as the terms “inter alia” and “in appropriate cases” emphasise.</p>

4.4.2 – The EESC considers that there is no scope of application for Article 6(6) ("fines are not insurable") and that it should therefore be deleted.

The Commission considers this measure to be key to the dissuasive element of the Directive. Moreover, a large majority of the Member States supported this measure in the policy discussion that took place during the Transport Council of 9 October 2003. However, the wording of Article 6(6) could be improved in order to increase the effectiveness of the provision.

23. Proposal for a European Parliament and Council Regulation on the negotiation and implementation of air service agreements between Member States and third countries
COM(2003) 94 final - EESC 923/2003 – July 2003
DG TREN – Mrs DE PALACIO

Main points of the EESC opinion	Commission position
<p>5.1. The EESC considers it excessive that all details of a new agreement, within the meaning of Article 1(1), must be notified to the Commission one calendar month before contact is established with the third countries concerned.</p>	<p>Details of the envisaged agreement and all related documents are essential to enable the Commission and the other Member States to judge the extent to which the negotiations being opened present a particular interest or difficulty in the light of the general context resulting from the legal ruling of November 2002.</p> <p>Furthermore, given the possibility open to the Commission and the Member States to send their own comments to the Member State that has signalled its intention to negotiate with a third country, the period of one calendar month would appear sufficient time for these comments to be sent to the Member State concerned.</p> <p>The Commission cannot therefore take this specific comment into account.</p>
<p>5.2. The EESC considers that the possibility given to the Commission to object to the conclusion of the agreement seems to go significantly beyond its legitimate prerogatives as regards information, notification and transparency. It recommends replacing this with a provision whereby the Commission has the option of alerting a Member State if it appears that negotiations by that State are likely to jeopardise the Community's objectives.</p>	<p>This possibility is justified by the fact that, as a general rule, the negotiations covered by this Regulation relate to agreements that are partly within the Community's area of competence and it cannot be ruled out that the outcome of the negotiations may in certain cases run counter to Community law. Specifically, in the event that negotiation was not able to result in the amendment of the agreement to incorporate the designation clause, the agreement may only be concluded following an individual examination and agreement by the Commission in consultation with the Member States. Without this procedure explicitly established by Community</p>

	<p>legislation, a Member State is not authorised to conclude such an agreement – namely one that does not contain the Community designation clause – as it may otherwise reconfirm the illegal nature already determined by the Court of Justice. The Commission cannot therefore take any action in response to this comment.</p>
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24. Revision of the list of trans-European network (TEN) projects up to 2004 Exploratory opinion - EESC 1174/2003 – September 2003 DG TREN – Mrs DE PALACIO	
Main points of the EESC opinion	Commission position
2.1.1. The Committee suggests that thought be given to setting up a monitoring body within the Commission which, together with the Member States, would take responsibility for coordinating, along the major routes, the management of the various sections and the funding from the EIB, EU Member States and PPP, etc.	The Commission proposal amending Decision No 1692/96/EC suggests the creation of European coordinators for projects or groups of projects, as well as coordinated procedures prior to building authorisations (Section 10a, Article 17a).
2.1.3. The Committee feels that for genuine incentives to be provided, depending on the nature and frontier location of certain projects, this subsidy should comprise between 20% and 50% of the cost, excluding taxes.	In the parallel proposal amending Regulation No 2236/95, it is proposed that, as an exception, the total Community contribution may comprise: - 20% for projects concerning satellite positioning and navigation systems - 30% for cross-border projects of European interest identified in Annex III of Decision No 1692/96/EC
3.2.1. The Committee takes the view that a system involving severe penalties for any State not meeting its commitments should be established. However, it does not agree with the Commission on the procedure for the withdrawal of projects from the list of priority projects. The Committee suggests that the Commission adopt a more determined and binding approach and set up a body such as a "European Agency for Transport Infrastructure" with resources for following up and, if necessary, monitoring.	According to the proposal amending Decision No 1692/96/EC, the Commission will only have the possibility of withdrawing the classification of projects of European interest in case of delays once it has gathered the opinions of the States concerned (Article 19a). The role of the European coordinator was devised in order to reduce the risk of delays. The coordinator will be appointed in order to encourage cooperation between the parties concerned as well as to monitor progress as required, with a view where necessary to taking steps to overcome the difficulties.

<p>4.3.1. The Committee suggests that the sums involved in "virtuous" investments earmarked for priority TEN-Ts alone should not be included when calculating compliance with the Maastricht criteria if the State concerned really has embarked upon a debt reduction policy.</p>	<p>The Commission takes the view that all investments must be included when calculating compliance with the Maastricht criteria; it cannot therefore take any action on the EESC's suggestion.</p>
<p>4.4. The Committee renewed its proposal to constitute, at EU budget level and outside the States, a European Transport Infrastructure Fund "dedicated" to the execution of priority TEN-T projects, with "perennial" resources and managed at Community level.</p> <p>The proposed European Transport Infrastructure Fund would be financed by a solidarity levy of 1 cent per litre on all fuel consumed on the EU's roads by all private and commercial vehicles.</p>	<p>The Commission notes this proposal but considers that it would not be appropriate to respond to this EESC opinion at this stage.</p> <p>The proposal amending Directive 1999/62/EC on the charging of heavy goods vehicles for the use of certain infrastructures states that revenue from charges must be used to benefit the transport sector.</p>

<p>25. Towards a pan-European system of inland waterway transport Own-initiative opinion - EESC 1172/2003 - September 2003 DG TREN – Mrs DE PALACIO</p>	
<p>Main points of the EESC opinion</p>	<p>Commission position</p>
<p>7.6. The EESC calls on all parties concerned to continue working towards a pan-European system of inland waterway transport.</p>	<p>The Commission is not the only party concerned by the own-initiative opinion but will take it into account during later discussions of this matter.</p>
<p>7.2.2. The first subparagraph makes a recommendation to continue to integrate EU and CCNR rules on the basis of reciprocity “based on the highest existing standards”.</p>	<p>From the Community standpoint, the integration of the two systems should also follow the principles of subsidiarity, necessity and proportionality.</p>
<p>7.2.2. The third subparagraph states that by acceding to the CCNR the Union will be recognising the binding nature of the Mannheim Convention “as a basis for a pan-European IWT regime”.</p>	<p>The Commission takes the view that it is not possible to conclude from the application for accession to the CCNR that the Mannheim Convention constitutes the basis for a pan-European regime. As far as the European Union is concerned, this is based on the <i>acquis communautaire</i>.</p>

<p>26. Communication from the Commission to the Council and the European Parliament on pan-European environmental cooperation after the 2003 Kiev conference COM (2003) 62 final - EESC 926/2003- July 2003 DG ENV - Mrs WALLSTRÖM</p>	
Main points of the EESC opinion	Commission position
<p>1.4. The EESC statement on this point argues that the Commission believes the aim of the current phase of the “Environment for Europe” (EfE) is to bring relevant countries’ environmental laws into line with EU standards.</p>	<p>The Commission partly accepts this observation. This is the case for candidate countries, but for the non-candidate countries the aim is a process of progressive convergence towards EU standards rather than actual alignment.</p>
<p>2.3. The EESC underlines the importance of the EfE process for the development of environmental policy within the EU, too. It gives as an example the Aarhus Convention.</p>	<p>The Commission considers that the driving force for development of environmental policy within the EU is the EU itself, which will as of May 2004 include 25 out of the 55 members of the EfE process.</p> <p>In its future strategic guidelines for the environment (CEP/2003/25), the UNECE Committee on Environmental Policy recognises that EU legislation and UNECE conventions interact and are mutually beneficial for implementation – especially in the cross-border context – and that this should be capitalised on. The Commission shares this view.</p> <p>It should be pointed out, however, that UNECE-CEP and the EfE have reached a point where emphasis is shifting from the negotiation of new legal instruments to the implementation of existing ones.</p>
<p>2.4. The Committee welcomes the efforts made so far by the Commission and all countries involved in the “Environment for Europe” process. This commitment underlines the importance of environmental protection and sustainable development for the future of Europe.</p>	<p>The Commission welcomes this favourable opinion.</p>

<p>2.6. The Committee criticises the fact that no detailed assessment was presented either in the run-up to the conference or at the conference itself indicating which elements in the “Environment for Europe” process have been particularly effective so far and where particular difficulties have arisen.</p> <p>See also points 3.1-3.4.</p>	<p>The Commission partially accepts the observation.</p> <p>The European Environment Agency presented in 1995, 1998 and 2003 (this last at the Kiev conference) three <u>assessment reports</u> on the state of the environment; these have helped to identify major threats and challenges for the development of regional environmental policies (Kiev Ministerial Declaration, para. 15)</p> <p>One of the key achievements of the Kiev Conference was the adoption of the Environment Strategy for the EECCA countries, which the EAP Task Force (one of the facilitators to the EfE process) will follow up by assessing EECCA country progress in achieving the objectives of the Strategy, and maintaining a database on the partnerships forged under this Strategy. This was agreed in the last EAP Task Force meeting in Paris on 6-7 October 2003.</p>
<p>2.7. The EESC asserts that the Commission communication’s main concern for the future of the process is to protect the environment in the East and South-East European countries.</p>	<p>The Commission cannot accept the opinion that the East and South-East countries are the main focus for the future. Although these countries remain important within the EfE, the Commission believes that EECCA countries must be a major focus for pan-European cooperation, as stated in point 6.1 of the Communication.</p>
<p>2.8. The EESC stresses the importance of not overlooking the fact that the vast majority of the activities which cause undue damage to the environment are within the law (in Europe), i.e. more far-reaching initiatives in and beyond the EU are an absolute necessity. This means that the EU standards to be applied in the countries in question can only be regarded as an intermediate step on the road towards sustainability.</p>	<p>The Commission partially accepts the observation, but wishes to draw attention to the “Wider Europe Communication” ((COM) 2003/104) adopted on 11 March 2003, which sets out a new framework for relations over the coming decade with Russia, the Western NIS and the Southern Mediterranean.</p>

<p>2.11. On the importance of further investment in environmental protection and sustainable development, the EESC stresses the need to develop a society which regards environmental protection and sustainable development as offering the prospect of a better society and not as rivals for the funds to be spent on the expansion of general infrastructure or, for example, the health, education or social sectors. This will require work on the creation of such awareness.</p>	<p>The Commission accepts the observation.</p> <p>In line with the Ministerial Statement at Kiev, UNECE-CEP decided at its Tenth Session (20-22 October 2003) to develop a UNECE strategy for education for sustainable development in close cooperation with UNESCO, the Council of Europe and other relevant actors. This initiative should take into account that education is cross-sectoral and requires the involvement of different ministries or other equivalent national bodies. Education for sustainable development should address environmental protection, social development and economic development. The drafting of the Strategy is scheduled to start in spring 2004.</p>
<p>2.12 – 2.14. Despite all the high regard for the work of the RECs, one criticism which the EESC makes is that a properly functioning environmental network system has not yet been built in the individual countries. The many groups which exist there are frequently very poorly organised nationally, so that in many cases they play only a secondary role in political decision-making.</p>	<p>The Commission only partly accepts this observation. The 55 member countries of UNECE – the “owners” of the “Environment for Europe” process – are widely diverse as to their history, economic and social patterns.</p> <p>Some of the RECs are – to say the least – partly successful in supporting and promoting civil society and the creation of more stable networks. It should further be noted that the RECs and the NGO representatives are active in both the EAP Task Force and UNECE-CEP.</p>
<p>2.15. The EESC thinks that one important concern should be to involve business associations and trade union organisations more closely in this process. Environmental mainstreaming must permeate all sections of society and start at a very young age.</p>	<p>See the response regarding UNECE strategy for education for sustainable development at point 2.11.</p>

<p>3.5. The EESC thinks that the role to be played by civil society within the “Environment for Europe” process is still not adequately recognised.</p>	<p>The Commission partly accepts the observation, but wishes to stress the active participation of the NGO community in the EAP Task Force and UNECE-CEP meetings – the latter being especially praised by the NGO representative (Eco-Forum) for its openness and transparency.</p>
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**27. Proposal for a Decision of the European Parliament and of the Council
for a monitoring mechanism of Community greenhouse gas emissions and
the implementation of the Kyoto protocol
COM(2003) 51 final – EESC 931/2003 – July 2003
DG ENV – Mrs WALLSTRÖM**

The Commission notes the favourable opinion of the EESC.

28. Proposal for a Directive amending Directive 2002/96/EC on waste electrical and electronic equipment
COM (2003) 219 final – EESC 937/2003 – July 2003
DG ENV - Mrs WALLSTRÖM

Main points of the EESC opinion	Position of the Commission
<p>3.1. The EESC considers that it would be advisable not to offer too many options, and that co-responsibility between producers and users should be the only permissible method.</p>	<p>In its original proposal for the WEEE Directive (COM(2000)347 final), the Commission had proposed that the financial obligations for the treatment of professional equipment should be shared between producers and users. This was modified by the Council and Parliament. The proposal to amend Article 9 of the Directive takes account of these changes, while making the necessary adaptations to avoid unwanted effects on producers with a large market share in the past.</p>
<p>3.2. Member States are urged to set out financial responsibility clearly and equitably.</p>	<p>The Commission agrees with this opinion.</p>

**29. Proposal for a Regulation of the European Parliament and of the Council amending Regulation (EC) No 1655/2000 concerning the Financial Instrument for the Environment (LIFE)
COM(2003) 402 final – EESC 1176/2003 – September 2003
DG ENV – Mme WALLSTRÖM**

The Commission notes the favourable opinion of the EESC.

**30. Proposal for a Regulation of the European Parliament and of the Council amending Council Regulation (EC) No 2236/95/EC laying down general rules for the granting of Community financial aid in the field of trans-European networks
COM(2003) 220 final – EESC 924/2003 – July 2003
DG INFSO – Mr LIIKANEN**

The EESC's positive opinion has been taken into account.

31. Internal Market Strategy – Priorities 2003-2006 COM (2003) 238 final – EESC 932/2003 - July 2003 DG MARKT - Mr BOLKESTEIN	
Main points of the EESC Opinion	Commission Position
<p>The Committee welcomes the new strategy, stresses that the internal market is still incomplete, that it faces new challenges (especially enlargement) and that improving it is a task to be shared by all Member States.</p>	<p>The Commission firmly agrees with most of these points.</p>
<p>The section “The Priorities from 2003 – 2006” is very useful in that it follows the structure of the Strategy itself. It is generally supportive of the Commission's proposed actions (e.g. the internal market "compatibility test", the Recommendation on "best practices" in transposition, corporate governance, accounting and auditing, the Take-over Bids Directive and SOLVIT). It also expresses concern at slow progress in the Council and Parliament on the legislative procurement package and the Community patent. This is helpful.</p> <p>However, the Committee's attitude to liberalisation in the network industries appears very cautious. The report asserts that, although prices have come down following liberalisation, particularly for companies, other improvements for consumers and users have been limited and, in some instances, enormous problems have arisen with supply and safety.</p> <p>The section on the demographic challenge is also cautious in tone (as regards reforms of pensions/social protection systems and the impact of the internal market on health systems).</p>	<p>The Commission very much welcomes the Committee's support for the actions in the Strategy.</p> <p>On the network industries, the Commission does not agree with its assessment of the impact of liberalisation. Two assessments published by the Commission (as annexes to the 2001 and 2002 Cardiff Reports) show that not only have prices fallen, but quality of service has improved and levels of user satisfaction remain high. The Commission believes that the problems which have arisen with supply (in the EU and the US) can be used to justify an anti-liberalisation stance.</p> <p>The Strategy makes it clear that responding to the demographic challenge is largely the responsibility of the Member States. It focuses solely on the Commission's Pension Funds Directive (and a possible proposal on occupational pensions) and does not tackle the wider subject of pensions/welfare reform. The Strategy does say that recent ECJ case law on patient mobility should be fully applied. The Commission is fully aware of the complex issues which this raises for national health care systems. These issues are being discussed in a high-level discussion group.</p>

<p>This section covers what the Committee sees as omissions from the Strategy (job creation and the fact that active labour market measures are needed, the need to manage change in the labour market, the role of consumers, slow progress on the Lisbon strategy, deflation in Japan and the US, the need for a supporting macro-economic policy geared towards growth and employment).</p>	<p>These comments are interesting and useful. However, many of these subjects (e.g. macro-economic policy) have been left out, not because they are not important, but because they do not fall within the scope of the Strategy.</p>
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**32. Second progress report on economic and social cohesion
COM(2003) 34 final - EESC 494/2003 – July 2003
DG REGIO – Mr BARNIER**

Follow-up of this point has been deferred until the next quarter.

33. Partnership for implementing the Structural Funds Exploratory opinion - EESC 1166/2003 – September 2003 DG REGIO – Mr FISCHLER	
Main points of the EESC opinion	Commission Position
<p>3.5 The Commission needs to review its arrangements for consulting the socio-economic partners, so as to provide more opportunities for meetings and promote effective debates and consultations with permanent and sectoral partners.</p>	<p>Over the past few years, the frequency of meetings has been increased and an effort has been made to improve their content, particularly by encouraging more active participation by the partners. However, the Commission is aware that the form of consultations must be reviewed, including in respect of their timing relative to the proposals and documents in order to obtain the partners' opinion before the definitive version of the texts.</p>
<p>3.6 It would also be helpful to spell out the fact that, in connection with a general revision of the Structural Fund regulations, the Commission must always consult not only the Member States but also the socio-economic partners at EU level.</p>	<p>The Commission would be prepared to accept this approach "de facto". However, there are no plans to revise the regulations in respect of the current period. It is worth pointing out that certain groups of social partners are already represented in the Committee referred to in Article 147 of the Treaty.</p>
<p>4.4 First and foremost, the involvement of the socio-economic partners in the monitoring committees must be made mandatory and must be strengthened by giving them the right to vote so that their position on the issues discussed by the monitoring committees is quite clear.</p>	<p>The Commission agrees that the partners must be represented in the monitoring committees. As to giving them the right to vote, while the Commission supports this in principle it considers that this positive approach must be examined in the light of the circumstances of each situation, taking account of points 5.2, 6.3 and 6.4 below.</p>
<p>4.6 The Commission should commission an updated study of the different types of participation models that have been used at national and regional levels. Practices which are less well known, but which could be important for the future, could then be evaluated and disseminated more widely.</p>	<p>The Commission agrees to the creation of such a databank of best practices. In practice, such a study will not be completed before 2005 and the Commission will therefore ask the partners to use their information network to pass the most useful experiences on to us.</p>

<p>5.2 The possible incompatibility of partners being involved in the various stages of programme implementation when they are also project promoters requires the establishment of rules for selecting the partners so as to ensure that the partnership does not include bodies which are dependent on the State and whose ability to act independently would therefore be functionally or structurally limited.</p>	<p>The Commission agrees with the principle that conflicts of interest must be resolved in such a way that no-one in the bodies responsible for managing or monitoring assistance is called upon to make a decision on projects in which he/she might have a legitimate interest. These rules must be laid down in the text of the assistance agreements.</p> <p>This point must be viewed alongside point 6.4 below.</p>
<p>5.5 Alongside those bodies which traditionally make up the socio-economic partners (trade unions, industrial and agricultural organisations, trade and craft associations, the cooperative and non-profit sector, etc.), a greater role in Community structural policies should be given to autonomous bodies such as chambers of commerce, universities, public housing associations, etc.</p>	<p>The Commission takes the view that the necessary multiplication of partners could harm the operation of these bodies. Thus, while certain partners must always be present (employers, trade unions), the addition of other partners should take place on a case-by-case basis in accordance with the objectives of the programme (e.g. universities in a research programme).</p>
<p>6.3 Partners' right to vote must be limited to preparatory, monitoring and evaluation bodies and never extend to project management and decision-making bodies.</p>	<p>This is consistent with the comment made at point 4.4 that the Commission does not advocate the right to vote for management bodies.</p>
<p>6.4 The Committee thinks that clear rules must be established for each of the groups involved.</p>	<p>See the response to point 5.2</p>
<p>7.1 The Committee considers that a new approach must be taken to involving the institutional and socio-economic partners in the implementation of the Funds, going further than just involving them in the planning, management, monitoring and evaluation bodies.</p>	<p>Notwithstanding the fact that, in agreement with their Member States of origin, the partners may have access to programme management through the overall subsidy, the Commission considers that this point falls outside the strict scope of the partnership and that it is not its place to impose such a model on the Member States.</p>
<p>8.1 The Committee thinks that the socio-economic partners should have access to financing and training in order to help them play their full role. This is rarely the case at present.</p>	<p>The regulation concerning the eligibility of expenditure in the context of operations co-financed by the Structural Funds does not make any specific provision for training activities in the context of</p>

	<p>monitoring. The possibility of organising seminars or studies or calling on experts is to be negotiated with the management authorities.</p>
<p>9.1 The Committee feels that the forthcoming enlargement of the EU is a further source of concern, given the fragility of civil society in some of the future Member States. The partnership in these countries will not be effective unless special care is taken to boost the technical and financial resources of socio-economic organisations, with a view to establishing the minimum conditions necessary for them to participate efficiently.</p>	<p>The Commission services responsible for the Structural Funds and involved in negotiations with the candidate countries for the development of future programmes and SPDs ensure that the provisions of the regulations in respect of partnership are applied.</p> <p>The Structural Funds cannot be used to finance partners' organisational structures.</p>
<p>11.1 The Committee considers that it would be very helpful to set a minimum participation threshold, laid down by a Community regulation but leaving the Member States to establish detailed participation levels in their own national law or provisions.</p> <p>11.2 The role of the socio-economic partners, the content of the proposals and the participation procedures necessarily differ at the preparatory, financing, monitoring and evaluation stages of Community structural measures. It is therefore necessary to clarify what is expected of the partners, what the partners need to do to ensure that the programmes are as successful as possible, at what levels the partnership is conducted, and the political and technical bodies in which the partners should be involved.</p>	<p>The Commission could accept the idea of a "partnership statute", the establishment of a minimum threshold of obligations for Member States in the area of association of partners. Nonetheless, it should be pointed out that this "statute" may only be established by regulation and is the responsibility of the Member States. For the current period, Article 8 of Regulation 1260/99 is in force and the Commission can only advise the Member States to involve the partners more closely, but has no power to force them to do so.</p> <p>A "partnership statute" should include: a standard definition of partnership for the Union; a definition of the role of the partners in the various stages of the process; a right of access to training via technical assistance; incompatibility criteria to avoid conflicts of interest (which should, moreover, be the same for all participants) and procedures to verify compliance by the Member States (standard Commission information rules).</p>

34. Economic and social cohesion: regional competitiveness, governance and cooperation
Exploratory opinion - EESC 1178/2003 – September 2003
DG REGIO – Mr BARNIER

Follow-up of this point has been deferred until the next quarter.

35. The contribution of other Community policies to economic and social cohesion
Exploratory opinion - EESC 1179/2003 – September 2003
DG REGIO – Mr MONTI

Follow-up of this point has been deferred until the next quarter.

**36. Proposal for a Directive of the Council amending Directive 92/79/EEC and 92/80/EEC, authorising France to prolong the application of lower rates of excise duty to tobacco products released for consumption in Corsica
COM (2003)186 final – EESC 930/2003 – July 2003
DG TAXUD - Mr BOLKESTEIN**

No follow-up is required on this point in light of the favourable opinion of the EESC.

<p>37. Proposal for a European Parliament and Council Decision establishing a Community action programme to promote bodies active at European level in the field of youth COM (2003) 272 final - EESC 1165/2003 - September 2003 DG EAC - Mrs REDING</p>	
<p>Main points of the EESC Opinion</p>	<p>Commission Position</p>
<p>The EESC strongly rejects the proposal to gradually decrease grants to NGYOs by 2.5% from the third year onwards. It argues that these organisations should be treated as bodies that pursue an aim of general European interest in accordance with Article 162 IR and not, therefore, in accordance with Article 113 (2)NR.</p>	<p>Article 113 of the New Financial Regulation stipulates that <i>"Unless otherwise specified in the basic act with regard to bodies pursuing an objective of general European interest, when operation grants are renewed, they shall be gradually decreased"</i>. The definition of bodies pursuing an aim of general European interest is given in Article 162 of IR.</p> <p>The Commission, in accordance with the legal possibilities set out in the New Financial Regulation and its IR, could agree with this amendment, provided that the legal basis specifically states that any European NGYO applying for funding through calls for proposals must be a body pursuing an aim of general European interest according to Article 162 of IR.</p>

<p>38. Proposal for a Decision of the European Parliament and of the Council modifying Decision No 163/2001/EC of the European Parliament and of the Council of 19 January 2001 on the implementation of a training programme for professionals in the European audiovisual programme industry (MEDIA-Training) (2001-2005)</p> <p>Proposal for a Decision of the European Parliament and of the Council modifying Council Decision 2000/821/EC of 20 December 2000 on the implementation of a programme to encourage the development, distribution and promotion of European audiovisual works (MEDIA Plus - Development, Distribution and Promotion) COM(2003) 188 final – COM(2003) 191 final – EESC 1165/2003 – September 2003 – DG EAC - Mrs REDING</p>	
Main points of the EESC opinion	Commission position
The Committee gave a favourable opinion on the prolongation of the MEDIA Plus and MEDIA Training programmes until 2006.	The Commission welcomes the support of the Economic and Social Committee.
The Committee reiterates and confirms the strategic considerations set out in its opinion of 27 April 2002 on the Media-Training and Media Plus programmes	The Commission is analysing all aspects related to the training of professionals in the European audiovisual sector and to the strengthening of these industries, and in particular the economic, social and cultural aspects. The analysis takes account of the comments made by the EESC among others.
The Committee wishes to see an increase in funding for support to the audiovisual industry in view of the accession of new countries as well as of the growing needs of the sector. The financing for the sector should be coordinated with EIB activity. Special attention should be paid to the setting up of tax exemption mechanisms and the creation of a risk capital market.	When analysing the sector, the Commission will take account as far as possible of the EESC's comments and opinions.

<p>The Committee, while awaiting the results of the mid-term evaluation of the programme, should like to stress the need to replace the existing technical assistance offices by an executive agency. Setting up MEDIA desks in the new countries is of fundamental importance for the successful implementation of the programme.</p>	<p>The Commission stresses that MEDIA desks were set up in the new countries last year.</p>
<p>The Committee hopes that the promotion of European cinema will be guaranteed as a means of providing greater cultural insight and raising the profile of audiovisual productions from regions that have hitherto been excluded from or remained on the fringes of international circuits. Support for festivals, even as part of the promotion element of the programme, should be complemented by structural information on the festivals themselves in order to enable small independent producers to take part.</p>	<p>The Commission shares the Committee's view regarding the need to raise the profile of regional audiovisual industries. It stresses that information on festivals is provided in the context of the promotion projects supported by MEDIA Plus.</p>

<p>39. Proposal for a Directive of the European Parliament and of the Council on the Harmonisation of the Laws, Regulations and Administrative Provisions of the Member States concerning Consumer Credit. COM (2000) 443 final - EESC 918/2003 - July 2003 DG SANCO - Mr BYRNE</p>	
<p>Main points of the EESC Opinion</p>	<p>Commission Position</p>
<p>While the EESC agrees with the primary aim of the proposal and with the fundamental guidelines, it cannot support the proposal as it stands: it must first be radically amended, principally on account of the need to:</p>	
<p><input type="checkbox"/> ensure this proposal is compatible with the provisions of other Community legislative instruments dealing with related matters;</p>	<p>The opinion does not elaborate on this point mentioned only in the summary.</p> <p>The proposed directive has been drafted specifically with the need to fit with other legislative initiatives.</p> <p>The 2001 Commission Communication on E- Commerce and Financial Services identified <i>i.a.</i> a revised consumer credit directive as an important plank in the strategy for boosting e-commerce in financial services. The Council and Parliament endorsed this strategy in mid-2001.</p> <p>In order to secure the fit between the directive on distance marketing of consumer financial services, 2002/65 of 23.09.2002, and the <i>acquis</i> of sector-specific directives on financial services, the Commission undertook in connection with the adoption of this directive to present a proposal for a new directive on consumer credit.</p>
<p><input type="checkbox"/> carry out a detailed simulation of the impact of every aspect of the proposed measures, especially regarding progress in completing the single market in financial services and boosting consumer confidence;</p>	<p>The simulation called for is not feasible. It will hardly be possible to simulate the growth in opportunities for both lenders and consumers to exploit a truly single market or to simulate the increase in legal certainty and in consumer confidence, which stems from harmonisation of rules and from a</p>

	comprehensive scope reducing the risk of bypassing of rules.
<ul style="list-style-type: none"> ❑ fine-tune several of the suggested provisions in the light of the principles of proportionality and necessity, ensuring that opting for total harmonisation does not lead to a potential fall in the level of consumer protection, presently guarded against by retaining a minimum clause. 	<p>The proposal is based on a thorough analysis of existing national legislation and care has been taken to ensure an overall level of protection, which would make Member States comfortable with full harmonisation that does not include every detail of their national legislation.</p> <p>However, for certain elements flexibility could be envisaged, in the context of mutual recognition. This would be in accordance with the recently adopted Consumer Policy Strategy. When built on the foundation of substantial harmonisation, mutual recognition would enable Member States to maintain national approaches while cross-border suppliers may explore the opportunities for contracting along different lines. But in the end, the consumer will decide.</p>
Most important aspects, which need to be adjusted to meet the proposal's aims:	
The legal basis should be changed from Article 95 to Article 153.	<p>The Commission has consistently upheld the practice that, whenever the Single Market is involved, Article 95 is adopted as the sole legal basis. Inclusion of Article 153 would be contradictory to the ambition to fully harmonise.</p>
The scope needs to be adjusted, as regards both what is included and what is excluded; key examples quoted:	
<ul style="list-style-type: none"> ❑ all mortgage credit should be brought into the scope of the proposed directive and not only mortgage-backed consumer credit. 	<p>The distinction between mortgage credit within and outside the scope of the directive is based on the definition in the Voluntary Code of Conduct on Home Loans. Mortgage credit falls either in the scope of the Code or in the scope of the directive.</p>

<p>❑ measures against usury should have been included in the directive</p>	<p>European regulation of usury is not possible. Situations acceptable in one Member State are considered usurious in others. For example, licensed moneylenders in the UK may charge APRs of over 100% for small-amount credit (typically £50) due to the distribution and collection costs, whereas such a modus operandi would be considered usurious in most of continental Europe.</p>
<p>❑ the removal of the minimum threshold below which the directive does not apply is unacceptable</p>	<p>The Commission recognises that as a principle a regulatory regime should be proportionate to the problems it aims to solve. However, small-amount credit may be very expensive, as demonstrated by the moneylender credit example. Moreover, exemptions open the door to bypassing. Hence, neither an upper nor a lower threshold should be included.</p>
<p>The total harmonisation method is used without guaranteeing maintenance of a high level of consumer protection.</p>	<p>This point concerns the regulatory instrument chosen. A regulation might indeed seem the appropriate instrument for full harmonisation. In order to allow for the flexibility needed to respect national legal traditions, the Commission opted to continue to follow the “directive approach”. Nevertheless, the absence of a general “minimal clause” as found in the present consumer credit directive (and most other consumer protection directives) implies that the standards proposed will be common to all. Reference is also made to the comments above on fine-tuning.</p>
<p>The failure to take account of over-indebtedness, assuming that matters can be resolved with an inappropriate and at times disproportionate list of information obligations.</p>	<p>Over-indebtedness is not necessarily due to (over-)exposure to consumer credit. It is in most cases caused when perfectly rational decisions on personal finance, including use of credit, are upset by life events such as death, illness, divorce or unemployment.</p>

	<p>In cases of over-indebtedness caused by overspending, a difficult question invariably rises: Why did the consumer take up a loan s/he could not repay?</p> <p>A consumer credit directive cannot, consequently, “cure” over-indebtedness. Overspending by consumers cannot be prevented by regulation, unless this is intrusive to the point of introducing restrictions on the freedom to issue and to take up consumer credit.</p> <p>However, the directive contributes to the <i>prevention</i> of over-indebtedness in two ways:</p> <ul style="list-style-type: none"> ➤ By introducing provisions such as the obligation to give advice and adopt “responsible lending”; and ➤ by ensuring that consumers are fully informed about credit cost and may compare alternative products.
<p>The need to flesh out the structure, functioning and guarantees concerning the use of centralised databases.</p>	<p>According to data protection officials, consumer credit is an area in which abuse of personal data is a serious problem. The provisions of the proposal on data protection aim at improving the existing rules in the data protection directive specifically for consumer credit, notably by preventing abusive trading of such data.</p> <p>The Commission has no intention to regulate existing <i>databases</i> through this directive. The main intention is to guarantee cross-border access to information in databases in order to increase competition.</p>

**40. Proposal for a Regulation of the European Parliament and of the Council on official feed and food controls
COM (2003) 52 final – EESC 925/2003 - July 2003
DG SANCO – Mr BYRNE**

Main points of the EESC opinion	Commission Position
<p>Particular attention and adequate resources must be devoted to the situation in the new Member States, which have had to adapt their systems to the <i>acquis communautaire</i>. At the end of the monitoring work being carried out in these countries, the Committee calls on the Commission to identify key points in the system of controls requiring specific measures, in particular regarding staff provision and training, the quality and quantity of laboratories and their level of resources.</p> <p>Specific measures will also have to be considered for small businesses operating at local and craft level, in order to promote compliance with standards.</p>	<p>The Commission shares the Committee's view on this point and will take it into account as far as possible in the context of ongoing initiatives in this sector. The candidate countries, as acknowledged by the EESC, are already the subject of in-depth analysis in the context of the enlargement procedures. An intensive programme of missions has been drawn up by the Commission's Food and Veterinary Office in order to closely monitor developments in the candidate countries in respect of the transposal of the <i>acquis communautaire</i> in the food and veterinary sphere and, more generally, to assess these countries' preparation in terms of controls, including the structures and equipment available, human resources and laboratory and testing capacity.</p> <p>The Commission considers that it is for the Member States to take the appropriate measures, as necessary, vis-à-vis small businesses to enforce compliance with for standards. Specific training or assistance programmes could be decided at national or local level in accordance with requirements and in collaboration with the sector involved.</p>

<p>As part of cooperation with developing countries, support structures are needed to check the required conformity at the point of origin, and if need be useful procedures and solutions should be suggested in order to encourage the development of fragile local production structures. Forms of control specifically identifying the responsibilities of the various parties, including importers, should also be provided for.</p>	<p>The proposal introduces procedures to this end. These entail, for example, support to developing countries for the implementation of a control programme, the promotion of “twinned ” projects between these countries and the Member States, and sending Community experts to take part in the organisation of official controls. It must be stressed, moreover, that these initiatives fall within the broader framework of the Community cooperation policy.</p>
<p>To ensure better consumer protection, synergy between public control systems, self-regulation and traceability procedures implemented by food operators must be encouraged, particularly if these are combined with voluntary certification systems. Interesting experiments are under way in some Member States concerning the negotiation of sector agreements (traceability) on food safety and quality, and these can be benchmarked. However, these national voluntary systems do not benefit from the same "mutual recognition" as official controls. This problem should be addressed with a view to harmonising the criteria at European level, so that consumers in other Member States can also benefit from these schemes.</p>	<p>The proposal states that official controls must take account, in particular, of the risks identified, the knowledge and experience of previous controls, the quality of the controls carried out by food operators. The nature and frequency of controls can be adapted by the Member States to take account of self-monitoring and traceability measures and, possibly, voluntary certification systems established by operators in the food sector, either individually or through agreements at sectoral level. The Commission agrees with the EESC that better synergy between public control systems and the control systems developed by the food sector operators throughout the food chain can improve consumer protection. While we understand why reference was made to the “mutual recognition” of voluntary certification systems, this is not one of the objectives of this regulation, which covers only the public control element.</p>

<p>As the financing of official controls is a matter of subsidiarity, we need to avoid distortions to competition by establishing joint principles, particularly concerning the inspection fees that will be levied on operators. It is clear, however, that the costs of controls in cases of non-conformity should normally fall on those responsible, while incentive schemes should also be considered if voluntary conformity certification is carried out.</p>	<p>The Commission considers that the proposal takes sufficient account of the EESC's comments on this subject. Specifically, provision is made for the Member States to adapt the level of charges to reflect the quality and intensity of the self-monitoring procedures established by the operators.</p>
<p>As regards the organisation of local public control systems, reference laboratories should be designated at regional level for local services and be initially co-financed by Community and national funds</p>	<p>The Commission considers that it is for the Member States to ensure that sufficient laboratories are available to perform tests as part of official food and feed controls. It is also for the Member States to ensure the provision of the resources necessary for the operation of national laboratories. However, Community funding may be available for Community reference laboratories.</p>

<p>41. Proposal – Regulation of the European Parliament and of the Council on maximum residue levels of pesticides in products of plant and animal origin COM (2003) 117 final – EESC 927/2003 –July 2003 DG SANCO - Mr BYRNE</p>	
<p>Main points of the EESC Opinion</p>	<p>Commission Position</p>
<p>The EESC welcomes the proposal to set the maximum residue level, by convention, at 0.01 mg/kg, and notes that this MRL is already used in the legislation covering babyfood.</p> <p>A clear trend should be established towards progressive reduction of the maximum levels for certain potentially hazardous substances.</p>	<p>The Commission shares the concerns of the Committee and therefore provided for the possibility to set MRLs lower than 0.01 mg/kg in the case of very toxic substances having been used in the past and now banned. The Commission is of the opinion that, if safe levels for substances are so low that detection through routine controls by analytical laboratories is not possible, these substances should not be authorised for use</p>
<p>The EESC is concerned at the possible risks of monitoring being carried out by the Member States, in the event of significant differences between national implementing criteria. It therefore urges the Commission to indicate how such risks can be avoided.</p> <p>The Member States should also be obliged to provide documentation attesting the sustainable disposal of stocks of obsolete products.</p> <p>The EESC calls for appropriate information and occupational training measures to be taken during the period of transition from one regulatory regime to the other.</p> <p>Similarly, national laboratories must adjust their analysis methods and criteria to a new common reference framework.</p>	<p>The Commission shares the concerns of the Committee. Presently the Commission provides for missions being carried out by the Food and Veterinary Office (FVO) where these differences are analysed. The Commission organises proficiency tests and publishes guidance for analytical laboratories. These aspects are included in the proposal. The present Monitoring Recommendations will become obligatory in the proposed regulation.</p>

<p>Food products imported into the Community from third countries must meet the same health, quality and food safety requirements as Community products. For this reason, the Committee is concerned that Article 29 (authorising imports from third countries) might allow MRLs different from those in the Community, owing to the possibility of differing agricultural good practices. It is only acceptable for MRLs to be set for imported products which are not produced in the EU.</p>	<p>The Commission understands the Committee's concerns. However, under the WTO agreement, any restrictions on imports must be justified under the criteria set out in that agreement, such as human or animal life or health. Nevertheless, the Commission will look at all factors when considering import tolerances.</p>
<p>The new Member States are required to comply with the <i>acquis communautaire</i> in this area. However, since the methods and products used in agriculture in these countries have been, until very recently, significantly different from those in the EU, the EESC suggests that they be provided with specific assistance (consultancy and know-how) in adjusting to the proposed regulation and the thematic strategy on the sustainable use of pesticides within the deadlines set.</p>	<p>The Commission agrees. Several projects were therefore organised for technical assistance finance by PHARE and TAIEX to bring these countries up to speed with the methods in the EU. The Food and Veterinary Office (FVO) in Dublin has paid special attention to obsolete pesticides during the missions to the candidate countries.</p>
<p>As argued above, the EESC is of the view that the proposal for a regulation may be of major significance to third countries, especially developing nations, and views the pesticides initiative launched under the cooperation arrangements with the ACP countries as exemplary.</p>	<p>The Commission will consider extension of such activities in the framework of the available budget.</p>
<p>When setting new harmonised limits, the Commission should strive to respect the Codex MRLs under the WTO rules introduced in the late 1990s. Many of these are not acceptable to the Community, and each of them must be subject to individual critical examination. The EESC would stress that these international requirements should not force the Community into making its own requirements flexible, and calls upon the European Commission to strive to maintain the existing high level of health protection.</p>	<p>The Commission agrees. This is the current policy of the Commission and it will remain so after adoption of the regulation by the European Parliament and the Council</p>

42. Financing consumer policy 2004-2007 COM (2003) 44 final – EESC 936/2003 – July 2003 DG SANCO - Mr BYRNE	
Main points of the EESC Opinion	Commission Position
3.6.1. Proposes to amend the criteria for eligibility for operating grants to EU-level consumer organisations.	Rejection, proposed alternative criteria are unworkable and politically ineffective.
3.6.2. Asks that criteria for funding should not determine representation on the Consumer Committee.	Rejection, representation on Consumer Committee is not subject of this proposal, but decided through a separate autonomous act of the Commission. “Whereas” added on contribution of relevant non-governmental organisations through involvement in the work of the Consumer Committee.
3.7.3. Desirable to apply the same criteria for operating grants to EU-level consumer organisations representing consumers in EU standardisation.	Rejection, proposed alternative criteria are unworkable and inappropriate given the specificity of standardisation work.
3.7.4. Calls to consider how people with disabilities might play an active role in consumer policy	Rejected, outside the direct scope of the Consumer Policy Strategy objectives, and thus of the current proposal.
3.7.5. Require that EU-level consumer organisations which benefit from operational grants operate in a democratic and transparent manner and make organisational data publicly available.	Taken into account by the Commission; provisions that this information be provided to the Commission are included in the compromise text as agreed by the EP and Council (Article 7).
3.7.6. Discrepancy in timeframe of proposed Decision and Consumer Policy Strategy	Taken into account, the Commission has committed itself to extending the timeframe of the CPS until 2007.
3.8.1. In co-financing of specific projects, priority should be given to cross-border actions which should be facilitated by the Commission.	Taken into account by the Commission; provisions to facilitate the development of cross-border projects are included in the compromise text as agreed by the EP and Council (action 13 of the Annex).

<p>3.8.2. In co-financing of specific projects, great store must be set by projects that aim to provide information to consumers.</p>	<p>Rejected, not a priority in co-financing; essential consumer information actions are financed 100% by the Commission (action 14 of the Annex).</p>
<p>3.8.4. Co-financing of projects should go up to 95% of eligible costs.</p>	<p>95% rejected, but agreed to increase from 70 to 75% for specific purposes, as included in compromise text agreed by the EP and Council (see Article 6 paragraph 5).</p>
<p>3.11. reminds to set aside funding under new financial perspectives post-2006 for the creation of a European research body for the protection of consumer rights.</p>	<p>Reserve, to be determined within the framework of negotiations on financial perspectives post-2006.</p>

43. EU-China relations Own-initiative opinion – EESC 934/2003 - July 2003 DG RELEX – Mr PATTEN	
Main points of the EESC opinion	Commission position
<p>4.2: The Committee stresses the importance of monitoring the implementation of the WTO rules in China.</p>	<p>One of the Commission’s immediate priorities is monitoring the implementation of China’s WTO commitments (cf. COM(2003) 533 “A maturing partnership: Shared interests and challenges in EU-China relations” adopted by the Council of the EU on 13 October 2003).</p> <p>It is following this issue closely at local level, in close cooperation with the Member States and the EU Chamber of Commerce in China, as well as in Brussels and Geneva, where it is taking an active role in the Transitional Mechanism Review.</p> <p>China’s implementation of its WTO commitments is systematically placed on the agenda of high-level Sino-European meetings, particularly the annual summit of Heads of State and Government, last held in Beijing on 30 October. The Joint EC-China Commission, which met on the same day in Beijing, was devoted in its entirety to this issue and to trade matters.</p> <p>A new budgetary allocation of €15 M will complement, between 2004 and 2006, the activities already undertaken since 1998 in the context of the Commission’s cooperation programme to assist China in the implementation of the WTO rules.</p>

	<p>Regarding the Committee's proposal that the Commission suggest to the Chinese authorities the creation of a public body to monitor the implementation of WTO rules in China, the Chinese Ministry of Trade, which has set up a new section for this purpose, centralises the work of bringing Chinese national and local legislation into compliance with WTO regulations. The State Development and Reform Commission plays an important role in implementing reforms at national level. And above all the Transitional Mechanism Review within the WTO, which is responsible for monitoring the implementation of Chinese commitments, serves as an external monitoring body that presents the highest guarantees of impartiality.</p>
<p>4.3 and 4.7: Extend contacts with civil society.</p>	<p>Like the Committee, the Commission is convinced of the importance of increasing contacts between European and Chinese civil society. For this reason one of its priorities is the reinforcing of all aspects of civil society in China with the goal of encouraging China's transition to an open society. As indicated in its Communication COM(2003) 533 "A maturing partnership: Shared interests and challenges in EU-China relations", the Commission will, through its cooperation programme, strive to encourage the emergence of civil society, the establishment of links with European civil society and participation by Chinese organisations in international conferences open to civil society.</p>
	<p>This policy concerns not only support for Chinese NGOs through financial support for micro-projects in the area of human rights or the environment but also a broader set of policies: promotion of regional integration through the creation of institutional</p>

	<p>links and links between universities, towns and businesses by means of the horizontal programmes aimed at Asia, i.e. Asia-Link, Asia-Urbs, Asia-Invest; hosting Chinese journalists in Brussels; opening up Europe to Chinese tourists through the signature of an “approved tourist destination” agreement with China. The Commission also hopes to develop new programmes in the field of education, which is crucial for encouraging mutual understanding between the Chinese and European peoples.</p>
<p>4.6: Attach greater importance to the issue of trade union rights within the dialogue on human rights.</p>	<p>The Commission should like to clarify first of all that dialogue with China on human rights takes place in a Troika at EU level, and not at Commission level. The question of trade union rights and freedom of association is systematically placed on the agenda. In its communication COM(2003) 533 “A maturing partnership: Shared interests and challenges in EU-China relations” the Commission identified the issue of workers’ rights and China’s cooperation with the ILO as subjects of particular interest to the EU.</p>
<p>4.8: Encourage Hong Kong and EU undertakings that invest in China and their Chinese partners to observe OECD guidelines on multinationals.</p>	<p>As the Committee knows, the OECD guidelines on multinationals are not binding on companies but voluntary. The Commission has no responsibility for promoting investment, which is the competence of the Member States, and cannot therefore have any influence on the investment choices of economic operators. It can, however, draw the attention of the Chinese and Hong Kong authorities to respect for workers’ rights.</p>

<p>4.12: The European Commission's cooperation programmes with China should better reflect the importance of good governance, civil society, human rights and sustainable development. Efforts should be made to include a women-specific agenda and strategy in all poverty reduction programmes in China.</p>	<p>The European Commission has set three priorities for its cooperation programme with China (cf. Country Strategy Paper 2002-2006 adopted in February 2002): support for the economic and social reform process; support for environmental protection and sustainable development; support for good governance and the rule of law. In the area of the environment, new projects focus in particular on the management of water resources and the protection of biodiversity. In the area of human rights, the Commission has, in particular, worked to provide training for Chinese judges and prosecutors and support for village elections in China, and is also active in the area of basic education.</p> <p>Gender equality is one of the horizontal priorities – along with the promotion of human rights and alleviating poverty – that have been defined for all of the Commission's cooperation programmes in China.</p>
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44. Preparation of the 5th Ministerial Conference of WTO. Own-initiative opinion – EESC 940/2003 - July 2003 DG TRADE - Mr LAMY	
Main points of the EESC Opinion	Commission Position
The importance of the 5th WTO Ministerial Conference for implementing the Doha Development Agenda, given the current international context.	The Commission agrees about the importance of this conference for ensuring the continuation of the DDA negotiations as planned and regrets the setback that the failure of the conference has resulted in.
The progress of negotiations in the run-up to the conference, which remained uneven.	The Commission agrees that, even though a lot of work had been done, not all issues had been equally prepared for decision by ministers at the Conference, thus contributing to the reasons for the failure.
The need for all parties to feel that an overall and dynamic balance had been attained with regard to market access, involving the gradual liberalisation of services, the gradual opening-up of agriculture, and a balanced and fair scheme, involving all Member States, for reducing tariffs for industrial products.	The Commission agrees with the need for a balanced outcome of the negotiations in order to ensure an eventual result which reflects the interests and capacity of all WTO members, both in the area of trade liberalisation and as regards rule-making.
The importance of obtaining the following at the conference: a significant reduction in non-tariff barriers, with more transparency in the field of government procurement; an agreement on foreign direct investment, more appropriate and effective anti-dumping and anti-subsidy provisions and progress in making allowance for environmental protection, with effective impact indicators.	The Commission agrees that it was necessary for the conference to take decisions on a very large number of subjects of the DDA in order to have been able to continue the negotiations as foreseen and to meet the agreed deadline of the end of 2004. It regrets the absence of these decisions and the impact it has on the negotiations.
The distinction which should be drawn between different developing countries.	The Commission agrees with the need to ensure that developing countries take on obligations according to their level of development and capacity to implement WTO rules and that technical assistance is provided accordingly.

<p>The importance which the Committee continued to attach to progress in the field of fundamental social rights, which could not be called into question for the sake of the development issues at stake.</p>	<p>The Commission agrees with the need to make progress on the issue of fundamental social rights, including through the ILO. The promotion of core labour standards, including the prohibition and elimination of child labour, and social development is a priority for the Commission as part of the strategy to harness globalisation in support of sustainable development. In trade policy, the Commission promotes the effective application of core labour standards through positive instruments and an incentive-based approach. Examples of this are the EU's Generalised System of Preferences, which allows for countries to receive additional preferences if they adhere to the principles of core labour standards and the Cotonou Agreement between the EC and the 77 ACP countries, which includes a specific provision on trade and labour standards. The EU is firmly opposed to any sanctions-based approaches and initiatives to use labour rights for protectionist purposes.</p>
<p>The operational proposals which the Committee would put forward for improving participatory democracy by involving organised civil society in the WTO's activities. These proposals would be the result of joint deliberations with the Committee's partners in the EU and elsewhere.</p>	<p>The Commission strongly supports greater external transparency in the WTO and looks forward to the proposals that the EESC intends to come up with in order for it to be able to take it into account in future work on this issue in the WTO.</p>

**45. Role of civil society in European development policy
Own-initiative opinion - EESC 933/2003 – July 2003
DG DEV – Mr NIELSON**

No follow-up to this opinion.