



European Economic and Social Committee

Brussels, 18 October 2001

PLENARY ASSEMBLY

17 AND 18 OCTOBER 2001

SUMMARY OF OPINIONS ADOPTED

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The Plenary Assembly was notable for the discussions on:

- Preparation of the 4th WTO Ministerial Conference, attended by **Mr Lamy**, European Commissioner, and
- sustainable development, attended by **Mrs Wallström**, European Commissioner.

During the Plenary Assembly the following opinions were adopted:

1. EXTERNAL RELATIONS

- **Preparation of the 4th WTO Ministerial Conference: the ESC's position**

Rapporteur: Mr Vever (Employers - F)

Co-rapporteur: Ms Sánchez Miguel (Workers - E)

- **Reference:** Own-initiative opinion - CES1326/2001
- **Key points:**

The ESC believes that success in Doha would set international trade on a course towards better regulation and a lasting consolidation of the bases of global economic growth, which would in particular benefit the developing countries. Against the backdrop of the terrorist attacks on 11 September in the United States and the sharp exacerbation of frictions these have triggered throughout the world, **such success would bear witness to the international community's determination to speed up, through dialogue, its organised response to globalisation and the new challenges of the future.**

The Committee believes that certain preconditions have to be met, i.e. the negotiations have to be entered into in a spirit of openness, of listening to each other, and of transparency; opening an agenda must not be confused with anticipating the final outcome; the support of the developing countries is essential; an interactive dialogue with organised civil society must be established; bridges must be built between the various issues; the Doha agenda must be placed in a wider context requiring an input from other international bodies besides the WTO.

The Committee thus suggests gearing the new WTO round to a "global and sustainable development objective".

While stressing the necessarily global, interdependent and interactive nature of the new round, the Committee notes more time may be required to outline some delicate issues more clearly in the negotiations. That being the case, one approach might be to base the round on a three-pronged approach. None of the three elements comprising this approach should be dissociated from the implementation of the whole:

- without further ado, dealing with questions of implementation benefiting the developing countries, which the Committee is happy to note is already now the subject of early proposals;
- facilitating negotiations on market access and the built-in agenda - agriculture, services;
- opening the way for negotiations on more comprehensive issues (competition, investment, the environment, consumer protection and social issues in conjunction with the ILO).

Effective dialogue with civil society organisations is an integral prerequisite for success. To this end, **the Committee recommends that a code of conduct be adopted between the WTO and the representatives of organised civil society (socio-occupational interest groups, NGOs).**

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- **Euro-Mediterranean Partnership - review and prospects five years on**

Rapporteur: **Mr Dimitriadis** (Workers- EL)

- **Reference: Own-initiative opinion: CES 1332/2001**

- **Key points:**

The opinion reviews the 1995 Euromed partnership, which comprises three components: a political and security component, an economic and financial component and a human, social and cultural component.

The ESC's mandate arising from the Barcelona declaration committed it for five years to

- forging a network of close ties with the Economic and Social Councils and similar institutions, above all through the annual Euromed summit of ESCs (the last held in Naples in November 2000);
- develop the idea of advisory institutions in the MPCs or rather to strengthen them;
- regular exchanges between civil society organisations on the two sides of the Mediterranean, e.g. dealing jointly with subjects relevant to the partnership (as most recently the information report, Contribution to the 7th Euromed Summit of Economic and Social Councils, on international trade and social development).

The original expectations of the Euro-Med partnership were high and in some cases particularly high. However, the newly-established institutional framework, in which representatives of all the parties to the conflict in the Middle East regularly meet, is positive. The pace of economic reform in the Mediterranean partners has been disappointing and trade between the southern

partners is astonishingly low. The social component of the Barcelona Process has not been implemented to the extent the ESC hoped.

Considering the prospects, the ESC opinion calls for above all

- a favourable climate for investment in the southern Mediterranean countries;
- a encouragement of cross-border projects and decentralised cooperation, aimed at establishing exchanges among all the actors;
- to strengthen and involve civil society in activities arising from the MEDA-Programme;
- greater promotion of South-South integration through MEDA funding (Regional programme).

The events of 11 September 2001 clearly demonstrate the need for an immediate strengthening of the Euro-Med partnership. In response to the newly emerging challenges, the European Union must use the decisions made at the Barcelona Conference as a means of calming the present atmosphere and drawing the partner countries into greater cultural and political proximity, both with each other and with the EU Member States.

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2. CREATING A EUROPEAN AREA OF FREEDOM, SECURITY AND JUSTICE

• Implementation of a European judicial area in civil matters

Rapporteur: **Mr Ataíde Ferreira** (Various Interests - P)

- **Reference:** COM(2001) 221 final - 2001/0109 (CNS) - CES 1324/2001

- **Key points:**

The establishment of a civil and commercial judicial area must be one of the great ambitions of the European Union, taking particular account of recent tragic events which demonstrate the need for a single European area for crime and terrorism prevention.

The ESC endorses the proposed Council Regulation with the following proviso

- the appropriations allocated to the programme should be increased so that steps to create a European judicial area can be truly effective;
- the conditions establishing the eligibility of bodies to participate in the programme and its funding should be re-examined so as to allow a large number of countries and organisations to participate.

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3. EMPLOYMENT, PROMOTING EQUAL OPPORTUNITIES AND TACKLING EXCLUSION AND POVERTY

- **Employment Guidelines**

Rapporteur: **Mr Van Dijk** (Workers - NL)

– **Reference:** COM(2001) 511 final - CES 1325/2001

– **Key points:**

The Committee is pleased that more attention is paid in the guidelines to older workers. It has attached high priority to combating the pay gap between women and men. It thus backs strengthening the relevant guideline.

The Committee does have certain doubts about the deletion of the quantitative objectives that had been included in the 2001 guidelines. Moreover, the annual revision of the guidelines is questioned. Instead a multiannual cycle is recommended. The Committee is concerned about the involvement of the social partners in drawing up the employment guidelines and their transposition into national action plans. In the employment guidelines, the Commission and the Council rightly ask that consideration be given to vulnerable groups on the labour market. Ethnic minorities and the disabled should be added to this group and a passage on immigration policy should be included.

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- **European Year of People with Disabilities (2003)**

Rapporteur: **Mr Cabra de Luna** (Various Interests - E)

– **Reference:** COM(2001) 271 final - CES 1323/2001

– **Key points:**

The Committee welcomes this proposal for a European Year of People with Disabilities 2003 and considers essential the need to highlight the diverse and heterogeneous nature of disability and recognise the particular issues around multiple discrimination.

The success of the European Year will only be possible with the full involvement of the social partners in the process. Access for disabled people to the information society is an important example of how mainstreaming is essential to the securing of social and economic integration of disabled people. Access to quality education has a fundamental role to play in the successful integration of disabled people in society. Among the concrete initiatives possible in the European Year, the European Commission should submit a proposal for a Directive on equal treatment and non-discrimination on grounds of disability consistent with the recent Directive on race and ethnic

origin. The European Year could initiate an open method of coordination of policies and exchange of best practice across the EU member states. The Committee considers that, as part of its own commitment to the European Year, it should undertake an independent audit of its buildings.

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- **Status of third-country nationals who are long-term residents**
Rapporteur: **Mr Pariza Castaños** (Workers - E)

- **Reference:** COM(2001) 127 final - 2001/0074 (CNS) - CES 1321/2001

- **Key points:**
In general terms the Committee welcomes this Directive, as it meets the expectations created by the Commission itself and takes account of points raised not only in its Communication on a Community immigration policy but also by the Economic and Social Committee in its comments on this Communication

The list of rights set out in Article 12(1) of the proposed Directive could lead to problems regarding the enjoyment of other rights which are not mentioned. The Committee therefore believes a general clause should be included providing for equal rights with Community residents.

The Committee believes that Community legislation on the right of long-term residents to vote in municipal and European elections must be considered as it is also a very important instrument for integration.

The Committee shares the Directive's concern for mobility between country of residence and country of origin, but believes that the period of absence allowed should be extended and interpreted with due flexibility, in order to encourage long-term residents to participate in economic activities in their country of origin. The ESC believes this should be valid both before and after obtaining long-term resident status.

The Committee proposes that spouses and other family members who enjoy the right to family reunification must be granted the same permanent resident status as the first member of the family who was granted such status.

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4. PROMOTING SUSTAINABLE ECONOMIC GROWTH AND A COMMON ECONOMIC POLICY

- **The eLearning Action Plan - Designing tomorrow's education**

Rapporteur: Mr Rupp (Various Interests - D)

Co-rapporteur: Mr Koryfidis (Workers - EL)

– **Reference:** COM(2001) 172 final - CES 1322/2001

– **Key points:**

The ESC strongly supports the eLearning initiative, which it sees as the modern and alternative approach to learning that will address, explore and solve the problems of the digital age. It therefore urges all the European Institutions, national governments and regional and local authorities, organised civil society and businesses to work together to implement this action plan.

For the comprehensive eLearning blueprint to be a success and to make the most of the major opportunity it offers to enrich traditional education and training methods, the Commission must emphasise what the initiative will contribute to education. This contribution will obviously be quite specific in the case of school education.

The ESC would therefore draw particular attention to the importance of the educational framework within which eLearning is to be developed. There must be a broad and serious effort to accurately and precisely identify and define this framework. Furthermore, the need to develop appropriate European learning products, content and methods for every specific area of education and training is an urgent priority.

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- **Young farmers and the new economy**

Rapporteur: Ms Sánchez Miguel (Workers - E)

– **Reference:** Own-initiative opinion - CES 1314/2001

– **Key points:**

Sustainable development, based on a pact with future generations, for conservation of available resources, cannot be achieved without high quality agriculture and rural development, providing employment for the young.

Only by reversing the trends towards marginalisation and ageing of human resources in agriculture can a new pact be reached between agriculture and society, making the most of the potential provided by new information and communication technology, and bridging the gaps already noticeable between declining rural areas and areas with a high level of innovation.

Agriculture must be fully involved in the promotion of the knowledge society and innovation, and must benefit from the employment spin-offs which can result from them: the new orientations in the field of education and training ("eLearning") and in the promotion of new information technologies ("eEurope"), launched by the Lisbon European Council must be transformed into specific measures in the agricultural sector, directed particularly at young people.

It is necessary not only to encourage young people in innovative ways, but also to be prepared to adapt to changing market conditions and society's expectations of agricultural production. The Commission and the Member States are therefore called upon to encourage:

- support for transnational cooperation and exchange projects between companies, schools, training bodies, universities and agricultural/rural research centres;
 - support for decentralised action plans at local and regional level;
 - the creation of new local agencies for the development of agriculture and rural communities, or consolidation of existing agencies;
 - the inclusion of agriculture as a target group in eEurope with the aims of fostering a better dialogue between farmers and society and making it easier for farmers to exchange opinions and/or experiences over the Internet.
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• **Tax obstacles - Occupational pensions**

Rapporteur: **Mr Byrne** (Employers -IRL)

- **Reference:** COM(2001) 214 final - CES 1320/2001

- **Key points:**

The Committee welcomes the action of the Commission in bringing forward these proposals designed to eliminate tax obstacles to the cross-border provision of occupational pensions.

It supports the Commission's approach, which is to monitor the relevant national rules and take the necessary steps to ensure effective compliance by Member States with the fundamental freedoms of the EC Treaty.

The Committee welcomes the outline proposal for the establishment of pan-European pension institutions although the Committee recognises that more detailed work and consultation will be required to ensure effective implementation.

The Committee supports the objective of removing unjustified obstacles to the free movement of workers. The Committee therefore also supports the principles outlined in the Commission document but believes that it will be necessary for the Commission to work closely with individual Member States to develop solutions to the complex issues involved.

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- **Excise duties - tobacco**

Rapporteur: Mr Bento Gonçalves (Various Interests - P)

– **Reference:** COM(2001) 133 final - 2001/0063 (CNS) Volume II - CES 1330/2001

– **Key points:**

The Committee essentially shares the Commission's concerns. However, discussions by the Committee suggest that the Commission's proposals will not have the impact expected, and the proposed instrument is therefore not suitable.

According to the Committee the Commission proposal is likely to accentuate rather than reduce the discrepancies between the rates of duty levied in the different Member States, and this runs counter to harmonisation.

The Committee believes that until the harmonisation of excise duty on tobacco is included in the general tax package, and until the Council is prepared to move ahead with this dossier, the current situation cannot change.

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5. PROMOTING SUSTAINABLE DEVELOPMENT AND QUALITY OF LIFE, COMMON AGRICULTURAL POLICY

- **Community Action Programme promoting non-governmental organisations primarily active in the field of environmental protection.**

Rapporteur general: **Ms Sánchez Miguel** (Workers - E)

– **Reference:** COM(2001) 337 final - 2001/0139 COD Volume II - CES 1329/2001

– **Key points:**

European NGOs have shown that they are able to play the role allocated to them by the Commission in relation to both the promotion of new forms of European governance and the framing and application of EU environmental policies. Hence there is every justification for a Community action programme to promote NGOs primarily active in environmental protection.

It should be noted that, in order to achieve these new forms of governance, along with protection of the environment and sustainable development - which are the objectives of Community policy despite the ever present economic difficulties - it is necessary to encourage and finance the activities and environmental commitment of other NGOs representing European citizens in their capacity as workers, entrepreneurs, farmers or consumers and whose role in carrying through environmental policies is vitally important.

Inter alia, the Committee makes the following recommendations: one of the programme's objectives should be to encourage permanent or temporary forms of association between environmental

organisations to achieve Community policy objectives over and above those of the programmes for financing activities; to reduce the margin of discretion of the assessment criteria "general visibility" it is necessary to focus exclusively on the "visibility of activities" and not on the applicant organisation so as to encourage new organisations or new forms of association.

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- **Energy performance of buildings**

Rapporteur: **Mr Levaux** (Employers - F)

- **Reference:** COM(2001) 226 final - 2001/0098 COD - CES 1312/2001

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- **White Paper/Chemicals**

Rapporteur: **Mr Colombo** (Workers - I)

- **Reference:** COM(2001) 88 final - CES 1327/2001

- **Key points:**

The ESC endorses the strategy's general approach and in particular the fact that:

- it is founded on the principles of sustainability, precaution and substitution, with a view to safeguarding environmental, user and consumer safety, not least by providing more information;
- it names innovation as a driving force in the recovery of competitiveness and the re-launch of a safe chemicals industry, starting with a major commitment to scientific research at Community level, in order to enable the chemicals industry to continue to play its vital role in modern society;
- it is committed to promoting non-animal testing;
- it makes companies (manufacturers, importers, users) accountable, as they will carry the burden of the substance registration process.

The white paper's inadequate mention of workers, however, gives cause for concern, given that the experience gained in bargaining between the social partners has secured major improvements in working conditions and health and safety in the workplace, as well as considerable progress in the relationship between factories and local areas, through the involvement of public authorities.

The ESC agrees on the vital need - as mentioned in the introduction - to uphold the precautionary principle and promote the substitution of certain substances in cases where reliable scientific data indicate that their use is likely to have adverse effects on the environment or human health, even if there is no scientific certainty as to the exact nature or scale of the potential harm. This will involve careful cost-benefit analyses in terms of sustainability. In this respect, the Committee notes the

concerns expressed by environmental and consumer associations, who feel that the Commission's proposal is not sufficiently plain on the need to stop producing chemicals that are known to be toxic, persistent and bioaccumulative. The use of substitutes for dangerous substances should be promoted wherever a suitable alternative exists.

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- **Plant pests**

Rapporteur: **Mr Jaschick** (Various Interests - D)

- **Reference:** COM(2001) 183 final - 2001/0090 CNS - CES 1317/2001

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- **Advertising and sponsorship - tobacco products**

Rapporteur: **Mr Fuchs** (Various Interests - D)

- **Reference:** COM(2001) 283 final - 2001/00119 COD - CES 1328/2001

- **Key points:**

The ESC welcomes the Commission's Proposal for a Directive of the European Parliament and of the Council on the approximation of the laws, regulations and administrative provisions of the Member States relating to the advertising and sponsorship of tobacco products.

It shares the view that the harmonisation and approximation of Member States' existing legal and administrative provisions, as proposed by the Commission, will make these provisions easier to apply. The ESC is in favour of more extensive harmonisation or approximation of Member States' legal provisions, when they are essential to the completion of the single market.

The ESC wishes to point out that the Commission has not provided any verifiable evidence of barriers to trade in the tobacco advertising sector.

The ESC sees the Commission's initiative as a further measure to prevent damage to health as a result of smoking. With this aim in view, the ESC points out that the adoption of a broad transnational strategy for preventing tobacco-related damage to health is the only way of achieving lasting success in this field. The ESC therefore unreservedly endorses the Council's conclusions of 19 June 2001 on the WHO Framework Convention on Tobacco Control, and the fact that the Commission is lending its support to the WHO in its bid to draw up the Framework Convention on Tobacco Control.

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- **Green Paper - Common Fisheries Policy**

Rapporteur: **Mr Chagas** (Workers - P)

– **Reference:** COM(2001) 135 final - CES 1315/2001

– **Key points:**

Whilst welcoming all the positive elements put forward in the Green Paper, the Committee wishes to underline the following aspects which merit further elaboration:

- **concrete political commitment** to remedy the shortcomings in the application of the battery of instruments available under the CFP;
- the Commission's forthcoming proposals should also consider **aquaculture**, the **common organisation of the fisheries market** and the **fight against illegal fishing**;
- particular attention must be paid to the special circumstances of the small-scale fisheries sector and the Community's outlying regions;
- the **6 to 12-mile limit** is a key issue in the reform of the CFP, and access should continue to be restricted and/or the current derogation should be made permanent or extended for a considerable period; EU **enlargement** should be taken into account in this respect;
- the Committee disagrees with the introduction of the system of **individual transferable quotas** and the introduction of any approach based exclusively on market oriented measures;
- **recreational fishing** should be subject to strict management by Member States in accordance with EU legislation;
- the integration of **environmental** factors when managing the CFP is still quite unclear; the questions of coastal zone management, compensation of injured parties and eco-labelling are certain examples of ambiguity;
- the market demands stricter **food quality standards**, and the Community must see that these standards are respected by all;
- **fleet adjustment measures** should continue to be handled via MAGPs, only when positive results are confirmed; the possibility of introducing stiffer penalties for non-compliance should also be considered;
- in respect to **governance**, care must be taken to ensure horizontal and balanced implementation of EU rules; the establishment of **regional committees** should be based on the main European fisheries areas and it should be consistent with the ICES geographical divisions;
- **socio-economic measures** such as vocational training, investment in alternative employment sectors, management of the number of fishing days and transposition of the directive on working time at sea could provide effective management tools; the institutionalisation of a guaranteed minimum wage for the sector could help not only to guarantee fishermen a decent standard of living but also to ease the pressure on stocks.

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- **Fisheries/Conversion of vessels (Morocco)**

Rapporteur-general: **Mr Muñiz Guardado** (Various Interests - E)

– **Reference:** COM(2001) 384 final - 2001/0163 CNS - CES 1316/2001

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- **- Structural measures in fisheries sector**

Rapporteur: **Mr Muñiz Guardado** (Various Interests - E)

– **Reference:** COM(2001) 322 final - 2001/0128-0129 CNS - CES 1319/20001

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- **- CMO sheep and goat meat**

Rapporteur: **Mr de las Heras Cabañas** (Various Interests - E)

– **Reference:** COM(2001) 247 final - 2001/0103 CNS - CES 1318/2001

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6. INTERNAL MARKET

- **Agreements of minor importance**

Rapporteur: **Mr Pezzini** (Various Interests - I)

– **Reference:** COM(2001) 747 final - CES 1310/2001

The communication is part of the process of updating competition policy law. The Committee highlights the major improvements over the previous communication: the establishment of "categories", the raising of existing thresholds, the establishment of a new threshold, improved legal certainty.

The Committee calls for further thought to be given to the concept of "relevant market", and for further simplification of the categories of agreement giving rise to hardcore restrictions of competition policy and greater uniformity in the leeway allowed in the event of the market share laid down being exceeded.

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• **Common rules for the internal market in electricity and natural gas**

Rapporteur: **Mr Hernández Bataller** (Various Interests - E)

– **Reference:** COM(2001) 125 final - 2001/0077-0078 COD - CES 1311/2001

– **Key points:**

The Committee wishes to point out that the proposed initiatives are part of the strategy to construct the European single market. The ESC has repeatedly expressed its support for this strategy as it contributes towards achieving the Treaty principles, e.g. promoting economic development, employment, competition, quality of life, and economic and social cohesion. The Committee therefore welcomes these proposals.

The Committee calls on the EU institutions to:

- ensure that the market opening process genuinely benefits consumers and prevents distortions of competition, making the distinction between grid operators and suppliers;
- ensure that the deadline for market opening must be as short as possible; other, social measures are also needed to prevent an adverse effect on employment in the sectors concerned;
- avoid shortages and artificially high prices and guarantee standards of public services;
- limit the environmental impact of liberalisation, including an increase of funding for the SAVE programme or other measures;
- assess the repercussions of liberalisation on energy markets in the applicant countries, particularly on employment;
- encourage the creation of joint purchasing organisations for SMEs and domestic consumers;
- harmonise access to the grid.

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• **Supplementary supervision of financial conglomerates**

Rapporteur: **Mr Ravoet** (Employers - B)

– **Reference:** COM(2001) 213 final - 2001/0095 COD - CES 1309/2001

– **Key points:**

The Committee finds this draft directive valuable because:

- it has a suitable role to play in the globalisation of financial markets and fulfils the consequent need for harmonisation adjusted to circumstances;
- it provides better protection for consumers, meaning here depositors, investors and insurance policy holders;
- it establishes a general framework to cover the currently very different situations between countries, enabling them to draw closer together.

A choice must be made between the speedy adoption of a directive which essentially adopts a qualitative approach and a directive containing quantitative provisions - such as the deduction of own funds - following more in-depth examination of the actual circumstances and insofar as the simulations to be carried out would warrant it. The ESC advocates a directive adopting a qualitative approach.

As soon as possible procedures will have to be put in place for launching, maintaining and gradually stepping up moves towards convergence, in view of the considerable leeway initially allowed to the Member States. Too little convergence would cause major distortions of competition

Since conglomerates are being set up and expanding fast in non-member states, the EU must, as soon as the directive is adopted, impress on the Basle Committee the need to have similar binding rules introduced and start a process of convergence at its own level. Otherwise, the EU's financial conglomerates would suffer a major competitive disadvantage vis-à-vis their non-EU counterparts..

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- **Quality of petrol and diesel fuels**

Rapporteur: **Mr Gafo Fernández** (Employers - E)

- **Reference:** COM(2001) 241 final - 2001/0107 COD - CES 1331/2001

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- **Road transport permits/EU-Romania**

Rapporteur: **Mr Kielman** (Employers - NL)

- **Reference:** COM(2001) 334 final - 2001/0138 COD - CES 1313/2001

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