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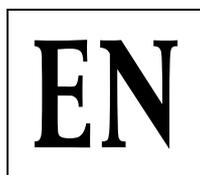
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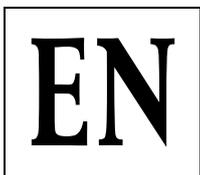
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II

(Preparatory Acts)

EUROPEAN ECONOMIC AND SOCIAL COMMITTEE

431ST PLENARY SESSION HELD ON 13-14 DECEMBER 2006

Opinion of the European Economic and Social Committee on the Proposal for a Regulation of the European Parliament and of the Council amending Regulation xxx/2006 on medicinal products for paediatric use and amending Regulation (EEC) No 1768/92, Directive 2001/20/EC, Directive 2001/83/EC and Regulation (EC) No 726/2004

COM(2006) 640 final — 2006/0207 (COD)

(2006/C 325/01)

On 9 November 2006 the Council decided to consult the European Economic and Social Committee, under Article 95 of the Treaty establishing the European Community, on the abovementioned proposal.

The Committee Bureau instructed the Section for the Single Market, Production and Consumption to prepare the Committee's work on the subject.

In view of the urgency of the work, the European Economic and Social Committee appointed Ms Heinisch as rapporteur-general at its 431st plenary session, held on 13-14 December 2006 (meeting of 13 December), and adopted the following opinion by 125 votes to none, with one abstention.

1. Conclusion

1.1 Council Decision 2006/512/EC, which was adopted on 17 July 2006 and amends Council Decision 1999/468/EC, is based on Treaty Article 202. Decision 2006/512/EC introduced a new type of procedure for the exercise of implementing powers, the regulatory procedure with scrutiny.

1.2 All pending legislative instruments that, subsequent to the entry into force of Comitology Decision 2006/512/EC, refer to a regulatory procedure of a basic instrument that has been adopted in accordance with the co-decision procedure under Treaty Article 251 but not yet enacted, must be amended accordingly. Whilst this regulation xxx/2006 on medicinal products for paediatric use was formally adopted on 23.10.2006, it has not yet been published in the Official Journal of the European Union and has thus not yet entered into force.

1.3 The current Commission proposal amends Regulation xxx/2006 in order to make provision for the adoption of these

two implementing measures, namely Article 20(2) and Article 49(3), by the new regulatory procedure with scrutiny, as they are intended to supplement the Regulation by the addition of new non-essential elements:

- in Article 20(2), with a view to further defining the grounds for granting a deferral; and
- in Article 49(3), with regard to the maximum amounts as well as the conditions and methods for collection of financial penalties.

2. Recommendation

2.1 The Commission proposal is fully in line with the procedures and rules according to which implementing powers are assigned to the Commission. The EESC supports the Commission proposal without reservations.

Brussels, 13 December 2006.

The President
of the European Economic and Social Committee
Dimitris DIMITRIADIS

Opinion of the European Economic and Social Committee on the Proposal for a Council Directive amending Council Directive 2002/38/EC as regards the period of application of the value added tax arrangements applicable to radio and television broadcasting services and certain electronically supplied services

COM(2006) 739 final — 2006/0245 (CNS)

(2006/C 325/02)

On 30 November 2006 the Council decided to consult the European Economic and Social Committee, under Article 262 of the Treaty establishing the European Community, on the abovementioned proposal.

The Committee Bureau instructed the Section for Economic and Monetary Union and Economic and Social Cohesion to prepare the Committee's work on the subject.

Given the urgent nature of the work, the European Economic and Social Committee appointed Mr Burani as rapporteur-general at its 431st plenary session, held on 13-14 December 2006 (meeting of 13 December), and adopted the following opinion with 102 votes in favour, *nem. con.* and four abstentions.

1. Introduction

1.1 On 7 May 2002 the Council adopted Directive 2002/38/EC amending the existing Directive 77/388/EEC which set up the VAT arrangements. The directive amends the VAT arrangements applicable to radio and television broadcasting services and certain electronically supplied services; it contains a number of provisions which were due to expire on 30 June 2006 unless extended.

1.2 When the directive was enacted, the Council intended to review the provisions covering the place of supply of these services and certain facilitation measures for non-EU businesses within three years, i.e. before the directive expired. On 25 May 2006, the Commission issued a report stressing the effectiveness of the measures adopted and proposing that they be extended to 31 December 2008. However, the Council decided on an extension which runs only until 31 December 2006.

1.3 The Commission points out that the expiry of the measures laid down by the directive would have undesirable effects: in other words, in the absence of new proposals there

would be a gap in the legislation on the matter. Moreover, in the Commission's view, the slow rate of legislative progress in the area of taxation would mean that new, replacement measures would not be in place by the end of 2006, and it therefore reiterates its original proposal that the directive be extended to 31 December 2008.

2. The Committee's comments

2.1 The Committee takes note of the rationale behind the Commission's proposal, and considers that for the moment it is not appropriate to go into the merits of the directive's provisions. Given the urgent need for legislation applicable to the sector to be in place, and confident that the Commission's assertions regarding the effectiveness of the directive are well-founded, the Committee **endorses** the proposal to extend it. Furthermore, in view of the lengthy nature of legislative procedures in the area of taxation, the Committee feels that a period of two years — i.e. until 31 December 2008 — is the strict minimum and may even be too short for new proposals to be drawn up on the matter.

Brussels, 13 December 2006

The President
of the European Economic and Social Committee
Dimitris DIMITRIADIS

Opinion of the European Economic and Social Committee on EU and national administration practices and linkages

(2006/C 325/03)

On 19 January 2006, the European Economic and Social Committee, acting under Rule 29(2) of its Rules of Procedure, decided to draw up an opinion on *EU and national administration practices and linkages*

The Section for the Single Market, Production and Consumption, which was responsible for preparing the Committee's work on the subject, adopted its opinion on 14 November 2006. The rapporteur was Mr van Iersel.

At its 431st plenary session held on 13 and 14 December 2006 (meeting of 14 December 2006), the European Economic and Social Committee adopted the following opinion by 102 votes to 5 with 48 abstentions.

1. Executive summary

1.1 The Council of Ministers is decisive in the decision-making process in the EU. However, national coordination and policy-making has never been deeply discussed at EU level. The EU is unique in sharing sovereignty. As a consequence the EU requires a transparent multilevel governance in a broad field of areas. The EESC is of the opinion that well-defined and effective national political and administrative procedures in Member States are, together with better lawmaking and implementation and enforcement, an integral part of EU good governance. They will also enhance transparency and clarify the impact of EU law and policies towards society at large. The analysis of national practices reflect substantial differences among Member States regarding political and administrative management of EU matters. Such analysis should stimulate a discussion on governmental — political and administrative — procedures dealing with the EU. The most interesting and best practices may be highlighted. An open debate across Europe about how to deal best with European affairs at national level will also benefit the debate on better lawmaking and implementation and enforcement. The EESC advocates a continuous study on national administrative practices and procedures.

2. Introduction

2.1 In 2005 the EESC adopted an opinion on Better lawmaking together with an opinion on Implementation and enforcement. Both opinions were based on the principle that under the rule of law a good law is an enforceable and enforced law⁽¹⁾. EU-law has to come into being in a transparent, democratic and accessible process which underpins the legitimacy of the EU. Internal practices of governments are also part of that process.

2.2 It is noticeable and regrettable that after many years of European integration EU law and policy are not yet sufficiently integrated in a number of Member States as a political and administrative layer in domestic policy-making in those areas in

which they have committed themselves to common policies and to carry out the results of common decision-making.

2.3 In the process of lawmaking, transposition and implementation the Member States are key. This means that the way these processes are managed by the Member States is also crucial: the better the organisation, the better the final outcome for the EU, in the self-interest of the Member States and for society at large.

2.4 An effective and transparent approach of EU matters at national level is indispensable as 25 Member States, each with their own administrative culture and traditions as well as process management, have to respect the same *acquis*, which includes similar requirements regarding lawmaking, transposition, implementation and enforcement of EU law.

2.5 National coordination and policy-making has never been deeply discussed at EU level, partly because of subsidiarity, partly because of a lack of genuine interest among the decision making bodies in Brussels and in the capitals. Remarkably, the academic world has so far, except a few exceptions, not paid much attention to these aspects either. But it is clear that the way national coordination and policy-making are organised and functioning may well have substantial effects on decision-making in Brussels and subsequently on transposition and implementation of EU law. Consequently, in discussing better lawmaking and implementation, the organisation of national coordination and policy-making has also to be taken into consideration.

2.6 This is far from a purely technical matter. It is political because of the desirable discussion on the improvement of the organisation and internal procedures in the Member States and on a possible redefinition of the mutual responsibilities between Member States and Commission. Parallel to this, transparency and accessibility of these processes in the Member States are also needed in order to improve communication between the EU and society and to dispel confusion and suspicion among citizens.

⁽¹⁾ OJ C 24, 31.1.2006.

2.7 For obvious reasons the Commission has been very reluctant to discuss national procedures. Nonetheless the Commission rightly stated in 2001 ⁽²⁾: 'It is time to recognise that the Union has moved from a diplomatic to a democratic process, with policies that reach deep into national societies and daily life. There is a need for the Council to develop its capacity to coordinate all aspects of EU policy both in the Council and at home.'

2.8 As for 'transposition' of EU law a Commission Recommendation in 2004 makes practical proposals which address directly the Member States in order to promote correct implementation and enforcement of adopted EU law ⁽³⁾. Several of these proposals can also be very helpful to improve the national mechanisms regarding coordination and policy-making in preparation of EU law and carrying out agreed policy objectives.

2.9 Undeniably, the need for streamlining national political and administrative procedures in the Member States has become more urgent since:

- the introduction of Scoreboards on implementation of EU-law,
- the involvement of the EU in an increasing number of areas,
- the negotiations on the Constitutional Treaty, and
- the enlargement of the Union and forthcoming new memberships.

But a lot of work has still to be done.

3. General context

3.1 The EU is not a State nor is it on its way to becoming a State. The Commission is a centre with the right of initiative in well-defined areas. The Council is master in decision-making on legislation and budget, with often an influential interference of the EP as co-legislator and the Court of Justice as guardian of EU-law. There is no decisive leadership. The EU is rather a very complex reality of mutual dependencies among many actors. It is unique in having created a grid of national and federal responsibilities.

3.2 The EU is unique in sharing sovereignty. As a consequence the EU requires a transparent multilevel governance in a broad field of areas, but the implications of this for the management and administration of its constituent parts, the Member States, are far from clear ⁽⁴⁾. This is the case in matters of shared responsibility between the Member States and 'Brussels', but

⁽²⁾ White paper on European Governance, COM(2001) 428 final.

⁽³⁾ Commission Recommendation of 12 July 2004 on the transposition into national law of Directives affecting the internal market, (2005/309/EC).

⁽⁴⁾ *Coordinating European Union Affairs: How do different actors manage multi-level complexity?*, Adriaan Schout and Andrew Jordan, 29 May 2006. The study analyses practices of coordination within the Commission, Germany, the United Kingdom and the Netherlands. It reveals a wide range literature on sectoral aspects of this general theme, which shows at the same time that an overall analysis of practices in 25 Member States is still lacking.

also when independent responsibilities of the Member States themselves are concerned, such as in implementing the Lisbon Strategy.

3.3 During the last decades the EU has got involved in an increasing number of areas. It is a dynamic process in which national capitals, and increasingly regional entities, social and economic actors and civil society are involved. Recently, 'Third Pillar' issues, i.e. Justice and Home Affairs are beginning to be implemented. So far, however, in these areas no infringement procedures can be brought by the Commission against Member States to remedy deficiencies in national implementation ⁽⁵⁾.

3.4 Notwithstanding the often direct consequences of EU-law and EU decision-making for individual citizens, companies and organisations, the EU is in many Member States still primarily perceived as an international body outside the national State organisation, in some Member States even as pure foreign policy. This tends to create confusion and a counterproductive distance. Problems that the EU is meeting in the political and administrative setting in Member States are largely due to this state of mind.

3.4.1 In the political setting the position and role of the national Parliaments are of paramount importance. There is often still a gap between the extent to which they are informed and committed, and the process of decision-making at EU-level. This increases also the distance between the EU and society.

3.4.2 A second element in this context is the difference of perceptions and commitments of politicians, national administrations and involved private actors.

3.4.3 Thirdly, when transparency in policy making is lacking, ambiguity may arise about the way and the decisive moment at which national points of view are defined and negotiated, domestically as well as at EU level. Illustrative is the existence of European sections in various ministries, which, although they are dealing with substantive issues and not just with coordination, are more or less separated from the sections responsible for domestic policies. This may negatively affect the sensitivity and attention of the latter for European aspects. Comparable problems of coordination exist between the standing committees in the national Parliaments.

3.4.4 Fourthly, decision making at national level regarding 'Europe' is too often separated from executive directorates or agencies, and far too aloof from regional and local entities.

⁽⁵⁾ See the Informal Justice and Home Affairs Ministerial Meeting, Tampere 20-22 September 2006 on the issue of 'Improvement of decision-making in justice and home-affairs'.

3.5 There is evidence that Member States are quite reluctant to adapt administrative and political procedures. Should they not be adjusted to the increasing complexity and significance of the EU, this might lead to continuous frictions at different levels of decision-making.

3.6 Specific political interests, traditions and rhetoric — national as well as party political — are usually on the agenda. These tend to create an artificial gap between Brussels-based decisions and perceived national interests and procedures.

3.7 This development is the main source of the peculiar paradox that on the one hand governments agree in the EU — 'Brussels' — upon policy objectives and legislation but on the other often rebuff them as soon as they are discussed in the national political setting.

3.8 This gap can turn out to be very confusing for interested parties and the public at large. It is certainly adding to the serious legitimacy crisis of the EU, as there exists a direct relationship between the quality and reliability of management of EU policy objectives at national level, and public opinion and expectations.

3.8.1 The EESC points out in this connection that a possible crisis in the legitimacy of the EU should not be attributed first and foremost to communication problems. The first step in winning back the confidence of citizens in the EU must continue to be finding a solution to the urgent problems of the Union.

3.9 In this context it is fair to say that a number of organisations of social partners and civil society at large are reflecting more or less a similar pattern of dichotomy between handling 'Brussels' and national affairs.

3.10 The reputation of the EU can be undermined as national critics are mostly targeting 'Brussels' and the Commission, and rarely the Member States themselves, who are the main actors in the integration process.

3.11 National lobbies tend to act correspondingly when it comes to transposition and implementation. Sometimes, their attitude results from opportunities offered by critical compromises in the Council which give room for national discretionary power. On other occasions lobbies make simply use of unjustified opportunities created by the national legislators, which lead to gold-plating and cherry-picking.

3.12 A national based orientation in EU affairs may also be fostered by the tendency to use softer instruments instead of strict legal instruments, such as the open coordination method: the more room is provided for national interpretation, the larger the differences per country.

4. Coordination at national level

4.1 It looks as if until recently in many Member States the question of streamlining processes and procedures on national level has primarily been addressed by spontaneous developments within and between ministries without looking for a well-structured approach. All Member States are developing a more or less structured coordination procedure (and corresponding organs), but in many cases these cover only the final stage of national decision making. The preceding stages tend to be organised in a less orderly fashion.

4.2 Such a picture reflects a complex model of intergovernmental cooperation instead of the more dynamic process of EU lawmaking with its complicated political bargaining. In reality, the European integration has created very broad and intensive contacts with innumerable linkages between all those in the public and private sector who are involved in lawmaking and administrative negotiations and procedures in Europe. There are many interlinkages in the preparation of European legislation, including consultations with experts and stakeholders, in negotiating new legislation, in transposing, implementing and enforcing approved legislation, in maintaining European law by national judicial authorities and the European Court of Justice, and finally, in discussing national experiences with European law with the European legislator. These processes also require a high degree of professionalism in the overall organisation of the national administrations.

4.3 Both the need for adequate management and coordination at national level and effective international networking increases as EU policy objectives and decision making are intimately connected and intertwined with national policy objectives. The Lisbon strategy provides an illustrative example: it was defined at EU level but, in practice, EU decision making concerns only a limited part of the strategy. The responsibility for the main aspects remains with the Member States. But the final result is dubious when, because of the lack of compelling interactive procedures between the EU and national policies, Member States do not carry out agreed objectives, or only partially.

4.4 The intensification of European integration, endorsed at successive EU-summits as well as in numerous Council meetings in close cooperation with the European Commission, should be reflected in the political and administrative organisation in the Member States. But in this respect, there are substantial differences between the individual Member States⁽⁶⁾. As a result of historic developments in each country differences concern nearly all aspects of political and governmental life.

⁽⁶⁾ *'De Omzetting van Europese richtlijnen: Instrumenten, technieken en processen in zes lidstaten vergeleken'* (the transposition of European directives: a comparative study of instruments, techniques and processes in six Member States), Prof. Dr. B. Steunenberg and Prof. Dr. W. Voermans, University of Leyden, the Netherlands, 2006. Besides an in-depth analysis and recommendations regarding the Dutch situation the comparative study discusses Denmark, France, Germany, Italy, Spain and the United Kingdom.

4.5 Among others, these concern procedures and basic concepts of government, hierarchy between ministries, quality of ministries and centralised vs. decentralised systems.

4.6 More particularly, in relation to the EU there are sensible political differences between the Member States concerning:

- the position and power of the Prime Minister or the Head of Government,
- the role and function of inner-cabinet ministers,
- the relationship between the Prime Minister and the minister of Foreign Affairs and/or the 'junior' minister for Europe,
- coalition governments or majority governments, and their priorities,
- the relationship between government and Parliament and the role of the national Parliament in the European integration process,
- the extent to which better EU lawmaking and implementation are taken seriously.

4.7 Comparable differences exist regarding the authority and working methods between and within ministries:

- the organisation of the Office of the Prime Minister/Head of Government and its institutional position,
- the extent to which 'Chinese Walls' exist or not between the 'European' and other sections in ministries,
- the moment at which genuine interest in a particular proposal in the ministries starts,
- the degree and level of coordination as regards 'Brussels',
- the moment coordination starts as regards a particular proposal,
- the role of the ministry of Foreign Affairs and, correspondingly, the degree of independence of other ministries,
- the (ongoing) training of civil servants,
- the way stakeholders in society are consulted during negotiations and in the implementation phase,
- the way directives are usually implemented, either via formal national legislation or via governmental regulations with a lighter touch.

4.8 Division of labour between national ministries can also have serious consequences for the Council. To mention one example: in the Competitiveness Council sometimes four or five ministries per country are involved. This impedes a long-term strategy, it blocks leadership, and it contributes to policy fragmentation.

4.9 Situations are becoming still more complicated when there exists also a division of competences between national and regional level, such as in federal systems. Complexity and sometimes lack of transparency in relationships between national and regional levels can easily create further confusion.

4.10 Inappropriate practices on the part of the Commission and the Council secretariat are also prohibiting efficient decision-making procedures in the Member States. For example, the circulation of final drafts of documents by the Council at a very late stage before the meeting at which they are to be examined thwarts even the most efficient national decision-making procedures.

4.11 The various divisions of labour between ministers and departments in the Member States often impede effective international networking or long-term personal relationships of responsible civil servants across Europe.

4.12 It still is daily experience that a substantial part of the legal world in general and of the national judges who are supposed to take European law into full consideration are often lacking sufficient knowledge. This does not encourage national administrations to accept spontaneously the EU as a political and administrative layer in domestic policy-making.

5. Current developments

5.1 A continuous number of infringement procedures, a key function of the Commission to remedy deficiencies in national implementation of EU legislation, and the extension of successful EU-Scoreboards regarding the transposition of EU law in national law have raised awareness, that national procedures must be adjusted to EU requirements.

5.2 The process of introduction of the *acquis communautaire* in ten new Member States by 2003 brought about similar attention for the same theme.

5.3 The proposed Constitutional Treaty aimed *inter alia* at connecting national political procedures with the preparation of EU law, among others by integrating national Parliaments at an early stage into EU procedures.

5.4 In spite of occasional improvements in coordination procedures it must be acknowledged that most national administrations are hesitant to change internal bureaucratic procedures, and certainly to discuss their practices among each other or at EU level. Subsidiarity is the name of the game.

5.5 Besides subsidiarity, it is a fact of life, and often a complicating factor in the relationship between the EU and the Member States, that EU decision making has usually a different cycle from that of national policy making.

5.6 Although adjustments in coordination procedures are discussed in Member States (⁷), differences in approach and practices between Member States persist.

5.6.1 In Denmark, for instance, the Parliament is involved in the preparation of EU law and EU policies at an early stage, which adds to a systematic visibility of what is going on in the EU and to transparency. At the same time effective adjustments in administrative procedures and interrelationships in handling national and EU law have been put in place in Denmark for quite a long time.

5.6.2 In the UK administrative procedures have been adopted to bring EU affairs closer to domestic policy-making, among others by an effective coordination mechanism among the ministries and by giving an extensive mandate to the Cabinet Office regarding EU law. The House of Commons has an opportunity to scrutinise EU legislation and the House of Lords is actively involved in commenting EU law and EU policies.

5.6.3 By contrast, in France and Spain, Parliament gets usually involved at a late stage. This influences the place of the EU in the public debate. EU law and EU policies are primarily a matter of concern within the national administration and of the political leadership. It is noteworthy that the main body of the *École nationale d'administration* (ENA) has been moved from Paris to Strasbourg as a sign of the increasing impact of the EU in France.

5.6.4 In the Netherlands some unfortunate experiences in implementing EU law have raised increasing interest about management and procedures regarding EU matters. Reorganisation of internal procedures in the ministries, connecting the 'national' and 'European' areas of interest, is on its way, which in practice proves to be a difficult process. The same goes for attempts to get Parliaments involved more effectively and in a more timely way in EU affairs. In Luxemburg procedures in Parliament have been adjusted successfully.

5.6.5 In the 'new' Member States procedures that have been introduced or adjusted in the run-up to EU membership, when the *acquis* had to be integrated in national law, bear fruit, where they have remained intact. An extensive twinning project between experts of 'old' and 'new' Member States adds to the capacity of the new Member States to adopt best practices in carrying out EU law which may as well encourage efforts to integrate EU matters at an earlier stage of decision-making.

5.6.6 In federal systems, such as in Germany and Spain, it is certainly not easy to bridge the gap between the regions — *Länder* and *Provinces* — and 'Europe'. Especially in those cases where the regions are exclusively responsible for carrying out EU law — which is the case in Germany anyway — sometimes serious problems arise. All *Länder* have a representation in Brus-

sels in order to be more directly involved in EU affairs which are relevant to them.

5.7 The introduction and wide use of the system of 'national experts' as an ongoing process of interaction between national administrations and the Commission may help to increase a fruitful interaction between the national level and 'Brussels'.

5.8 The European Commission provides support to a number of successful co-operation networks between Member States' administrations and between the European Commission and national administrations (e.g. SOLVIT, consumer networks etc.). The Commission is also in the process of setting up the Internal Market Information (IMI) system which aims to help Member States' administrations to easily apply Internal Market rules.

5.9 The system of 'national regulators' in various fields, such as competition, telecommunication, energy and others, contributes to convergence in carrying out agreed EU policies in Member States.

5.10 More generally, differences of approach remain between countries which elaborate new structures to improve the interaction between the EU and national management of EU affairs and those which abstain hitherto from rethinking organisation and procedures. These processes are depending primarily on political will.

6. Conclusions and recommendations

6.1 Conclusions

6.1.1 The way national administrations are organised is the result of the historic development in each country. Consequently, differences between countries concern nearly all aspects of political and public life. To a large extent, this will remain so in the future. But these differences should not necessarily stand in the way of adjustment, or even convergence of procedures and working methods regarding the preparation and implementation of EU law and agreed EU policies.

6.1.2 The EESC is of the opinion that well-defined and effective national political and administrative procedures are, together with better lawmaking and implementation and enforcement, an integral part of EU good governance.

6.1.3 Consequently, it would be highly desirable that adjustment and improvement of national procedures be assessed in relationship with European-level procedures and the EU priorities of better lawmaking and implementation and enforcement of EU-law, as these objectives depend to a large extent on a satisfactory national approach in all Member States.

(⁷) See Steunenbergh en Voermans, Leyden, 2006.

6.1.4 The organisation of EU matters in the Member States is their own affair. However, it would be a big step forward, if political forces and national administrations would consider EU affairs as an integral part of domestic policy-making, and would acknowledge publicly that they themselves are the EU and would act accordingly. Political will in this direction is decisive.

6.1.5 Such a step would be fully in line with the special characteristics of the relationship between EU and national policies and their consequences which are intertwined and ever more mutually dependent. The acknowledgement of the EU as a political and administrative layer in domestic policy-making would also be supportive to better EU lawmaking.

6.1.6 In some Member States, notably in Denmark, and recently Luxemburg, proposals of the Commission are put on the political agenda at an early stage. This includes a systematic involvement of the Danish Parliament. In other Member States similar adjustments are being proposed. However, it is fair to say that most national Parliaments do not feel at ease in getting harmoniously committed to EU policies.

6.1.7 The proposed 'Constitutional Treaty' also aimed at integrating national Parliaments into EU procedures at an early stage. Recently Parliaments received in line with this thinking proposals for EU policies and legislation directly from the Commission ⁽⁸⁾. These procedural changes are bound to foster national discussions on European policies and legislation and its implications in most Member States at an earlier stage than so far.

6.1.8 More emphasis on a political discussion and consultation within the national context at an early stage can foster commitments of governments in negotiations on concrete issues.

6.1.9 Society at large demands transparency which may foster trust and legitimacy. Consequently, it would be desirable that administrative and political procedures in Member States regarding EU affairs should be brought into line with this claim. Efficient and transparent procedures would not only foster the rule of law, but they would also add to better communication between the EU and business circles, social partners and civil society, creating better understanding, and eventually, participation and commitment ⁽⁹⁾.

6.1.10 Consequently, transparency and communication are also of paramount importance for existing or newly established

consultations of interested private parties in the Member States, which are sometimes underestimated.

6.1.11 Improvement of the regulatory environment is a priority shared by all Institutions. So is the coherence of the Single Market and, since 2000, the realisation of the Lisbon strategy. All these objectives will be better served when national and EU decision-making processes are effectively interconnected.

6.1.12 Although subsidiarity is a principle anchored in EU thinking and practices, it must be always kept in mind that management and implementation of EU law and obligations in Member States often have an effect on other countries and societies in the Union. This means that public and private partners have an interest in the way each individual country manages its own relationship to the EU. In other words, the organisation and working methods of national administrations are part of the management of the EU as a whole.

6.1.13 Adequate procedures and monitoring of EU affairs in the Member States would also greatly help the Commission and would benefit the quality of its work.

6.2 Recommendations

6.2.1 In addition to suggestions made in its Opinion *Better Implementation of EU legislation* ⁽¹⁰⁾ the EESC recommends that penetrating analyses of national and regional procedures and practices regarding EU affairs, both political and administrative, are made among the 25 in order to get a full picture.

6.2.2 All aspects related to the way in which national political and administrative decision-makers are involved as mentioned in Chapter 4 'Coordination at national level' deserve specific attention. In addition to its increasing activities regarding better lawmaking and implementation and enforcement of EU law, the Commission can play an initiating and supportive role in this field.

6.2.3 The analyses will be a fruitful starting point for a discussion on the effectiveness of governmental — political and administrative — procedures dealing with the EU. The overall picture should be to highlight desirable and best practices. It has to create a sound basis for an open debate across Europe about how to deal best with European affairs at national level. This will also benefit the debate on better lawmaking and implementation and enforcement.

⁽⁸⁾ See conclusions European Council, June 2006.

⁽⁹⁾ It is noteworthy that the initial reaction of public opinion in Denmark regarding the Constitutional Treaty was rather positive, just because more democratic and transparent procedures were foreseen in the Treaty. By contrast, the Comité de dialogue, a platform of the government and the social partners in France to discuss European affairs, has no longer practical significance.

⁽¹⁰⁾ OJ C 24 of 31.01.2006. In this Opinion the EESC argues that, although Member States 'should continue to enjoy discretion in determining their own implementation and procedures', the next step 'in the cooperation between EU Institutions and national authorities is strengthening or streamlining of national administrative capacity for policy application', par. 4.2.1 and 4.2.4. In chapter 4 proposals are made to that end.

6.2.4 An overall analysis and manageable conclusions to be drawn from it is a very complicated subject. National and regional authorities also increasingly express the need of an exchange of views and knowledge in view of an appropriate management of EU affairs. The EESC advocates a continuous study of national practices and procedures. Bilateral exchanges of view between national authorities can also be encouraged, on the model, for example, of the IMPEL ⁽¹⁾ knowledge centre and the SOLVIT network.

6.2.5 Comments of business, social partners and civil society should also systematically be taken into account. All these parties have a keen interest in the process of better lawmaking and implementation and enforcement which requires also trans-

parency and effective consultations at national level right from the beginning.

6.2.6 The Internal Market Information (IMI) system for the facilitation of information exchange between Member States' administrations which aims at better application of Internal Market rules should be further developed and implemented.

6.2.7 An EU Vademecum regarding national procedures and practices would be useful. Such a Vademecum which takes into account the results of the knowledge centre could serve as a guidance for the process of well functioning national procedures, better lawmaking and implementation and enforcement in its entirety.

Brussels, 14 December 2006.

The President
of the European Economic and Social Committee
Dimitris DIMITRIADIS

⁽¹⁾ The 'Network for the Implementation and Enforcement of Environmental Law' (IMPEL), established in 1992, is an informal network of European regulators concerned with the implementation and enforcement of environmental legislation. 30 countries — all Member States of the European Union, the two acceding countries Bulgaria and Romania, the two candidate countries Croatia and Turkey as well as Norway — and the European Commission now participate in the network.

APPENDIX

to the opinion of the European Economic and Social Committee

The following Section Opinion text was rejected in favour of amendments adopted by the assembly but obtained at least one-quarter of the votes cast:

'1.1 The Council of Ministers is decisive in the decision making process in the EU. However, national coordination and policy-making has never been deeply discussed at EU level. The EU is unique in sharing sovereignty. As a consequence the EU requires a transparent multilevel governance in a broad field of areas. The EESC is of the opinion that well-defined and effective national political and administrative procedures in Member States are, together with better lawmaking and implementation and enforcement, an integral part of EU good governance. They will also enhance transparency and clarify the impact of EU law and policies towards society at large. The analysis of national practices reflect substantial differences among Member States regarding political and administrative management of EU matters. Such analysis should stimulate a discussion on governmental — political and administrative — procedures dealing with the EU. The most interesting and best practices may be highlighted. An open debate across Europe about how to deal best with European affairs at national level will also benefit the debate on better lawmaking and implementation and enforcement. The EESC advocates a continuous study on national administrative practices and procedures, a publicly supported virtual knowledge centre, in which politicians, national officials, the Commission, and academics collect data on national procedures, promote exchanges of views, and activate the debate. Comments and views of business, social partners and civil society should also be taken into account.'

Outcome: 74 votes for amending the paragraph, 59 against and 16 abstentions.

Opinion of the European Economic and Social Committee on the Communication from the Commission — A renewed EU tourism policy: towards a stronger partnership for European tourism

COM(2006) 134 final

(2006/C 325/04)

On 17 March 2006, the European Commission decided to consult the European Economic and Social Committee, under Article 262 of the Treaty establishing the European Community, on the abovementioned proposal.

The Section for the Single Market, Production and Consumption, which was responsible for preparing the Committee's work on the subject, adopted its opinion on 14 November 2006. The rapporteur was Mr Mendoza, and the co-rapporteur was Mr Barros Vale.

At its 431st plenary session, held on 13 and 14 December 2006 (meeting of 14 December), the European Economic and Social Committee adopted the following opinion by 75 votes to six with 14 abstentions.

1. Conclusions and recommendations

1.1 The European Economic and Social Committee welcomes and commends the Commission communication '**A renewed EU tourism policy: towards a stronger partnership for European tourism**' and supports the Commission's pledge to clearly consolidate tourism policy and strategy for the next few years.

1.2 The Committee appreciates the Commission's effort to briefly summarise a large number of documents, opinions and debates. The result is a satisfactory and clear description for the general public of this renewed tourism policy.

1.3 The Commission is correct to tie this new tourism policy in with the renewed Lisbon strategy and to set improving competitiveness and sustainability as its objectives.

1.4 We also endorse the challenges identified in the Commission communication and the proposed means of addressing them. The proposed approach is for all players to be involved through various means of collaboration and competitive collaboration, and this involvement is considered the cornerstone of the new tourism policy.

1.5 The Committee considers the Commission's undertaking to implement this new policy through collaboration, launching new support measures and coordination between stakeholders to be appropriate, but believes the specific approach and implementing tools should be more fully developed. The Enterprise DG must play a more active role and lead the introduction of a large number of Europe-wide initiatives.

1.6 The Committee once again proposes and recommends that this cooperation policy should be further developed by setting up a **European Tourism Board** and looking at the possibilities for establishing a **European Tourism Agency**.

1.7 The Committee welcomes the Commission's intention to improve use of the available financial instruments, but a proposal is needed for a programme to implement the tourism objectives, which are accurately identified. As a specific example in the sphere of social tourism, the Committee feels that there is already sufficient scope for initiating some cross-border pooling of experience in the form of a pilot project.

1.8 The Committee has high hopes of the work currently under way on the European Agenda 21 for Tourism, a document that should complete and consolidate the general policy of sustainability in European tourism. Creating databases of good practice, in relation both to sustainability and to other factors such as tourism quality, creativity and competitiveness, are regarded as appropriate instruments that the Commission should promote.

1.9 With respect to statistics, the Committee proposes setting up a network of tourism observatories that would not only provide sectoral data, but also provide a strategic and forward-looking vision and anticipate future action.

1.10 The Committee is prepared to continue working on tourism along the lines set out in the Commission communication, and invites the other European institutions, the Member States, local and regional authorities, and sectoral stakeholders — companies and trade unions — and the general public to be involved in understanding and supporting tourism as a universal right and economic activity with strategic importance for Europe's future.

2. Commission communication

To better appreciate and understand what the Commission wishes to communicate to all European actors and institutions, we will briefly summarise the text of the communication and its main points.

2.1 *Tourism and the renewed Lisbon strategy*

2.1.1 The challenge of growth and jobs. Section 1 of the Commission communication links the new European tourism policy with the need to implement the renewed Lisbon strategy. The important role currently played by tourism in maintaining and creating jobs is explicitly recognised, and tourism is rightly identified as an economic activity whose contribution to full employment can continue and even increase. The Commission communication analyses the structure of the sector and points to the diversity of services and professions involved in its development, and the substantial contribution of micro, small and medium-sized businesses to tourism. The communication notes that the particular characteristics of tourism favour job flexibility, without ignoring the need for compensatory measures to safeguard the stability and quality of employment in the sector.

As the Commission points out, tourism plays a key role in European regional development, and the sustainability factor has positive effects in various economic and social spheres. In this respect, the European Agenda 21 for Tourism, a Commission initiative currently in preparation, will certainly serve as an appropriate guide and instrument ensuring the sustainable development of tourism.

Another factor to bear in mind in terms of tourism's contribution to the Lisbon strategy is EU enlargement and its positive impact on job creation and growth.

However, all this can be achieved only with the participation and collaboration of all private and public players at every level, which is the cornerstone of the new European tourism policy proposed by the Commission.

2.1.2 The challenges facing tourism. The Commission communication sets out various general challenges for European tourism which have been created by major changes in European and global society.

The first challenge relates to population structure, which is changing radically, so that many more people — especially people over 50 — will be travelling and tourism will have to adapt to the new demands of this population group.

Another big challenge is that of new destinations emerging at global level, making it necessary to adapt products and services to the new market situation.

Finally, there is the need for tourism to develop under sustainable economic, social, environmental and cultural conditions.

The Commission communication notes that improving competitiveness is the appropriate way of addressing these challenges so as to realise the aims of the Lisbon strategy.

2.1.3 Dialogue and collaboration. The Commission communication advocates dialogue and collaboration between all players in order to achieve the objective of improving competitiveness. All those involved in collaboration, at every level, are necessary and central to action in the sphere of tourism.

2.2 A new European tourism policy. In its communication, the Commission proposes that a new European tourism policy should be adopted with the aim of improving competitiveness and creating more and better jobs under sustainable conditions in Europe and the world. To achieve this it calls for dialogue, coordination and collaboration at all levels.

2.2.1 Mainstreaming measures affecting tourism. The Commission communication sets out three types of measure:

- better regulation through extended impact assessment, screening of legislative proposals and simplification of existing legislation;
- coordination of all Community policies affecting tourism, and consulting and engaging in interactive dialogue with all the parties concerned;
- improving use of the various EU financial instruments available: the ERDF, the Cohesion Funds, the ESF, the European Agricultural Fund for Rural Development and others that can enhance the sustainable development of tourism.

The Commission communication proposes that key tasks be entrusted to its own specialised departments in coordinating initiatives taken in both the public and private sectors. These include in particular the work of maintaining interactive information in the tourism sector and achieving cooperation between all parties so that tourism can benefit from all Community financial instruments.

2.3 Promoting sustainable tourism. The Commission communication considers drawing up a proposal for a European Agenda 21 for tourism to be an essential aspect of framing the new European tourism policy. Work on drawing up the proposal is currently under way and should be completed in 2007.

Pending completion of these strategic efforts, the Commission provides for immediate implementation of various specific actions. Of particular note are measures to facilitate the exchange of good practice in tourism in relation to various issues — accessibility and sustainability, sport, culture, economic recovery, EU enlargement, public-private cooperation and social tourism in Europe — which have been addressed in at least seven EESC own-initiative opinions.

2.4 Enhancing the understanding and visibility of tourism. The Commission communication proposes various basic policies for improving the strategic importance of tourism within general European policy. These include:

- improving the availability of tourism statistics, in particular the Tourism Satellite Accounts (TSAs);
- continuing to promote European tourist destinations, for example through the internet portal created for this purpose by the Commission, which in the near future will undoubtedly serve as a valuable tool for promoting tourism products, cultural and sporting events and a wide range of advertising possibilities;

— improving the visibility of tourism as a common objective, through various joint measures with the Member States, including annual organisation of the European Tourism Forum, which has been held regularly since 2002. The Commission expresses a clear intention to continue efforts to publicise its proposals, conclusions or simply discuss the issues that are of concern to the sector. It should also be noted that during each Council presidency various measures have been taken to increase the visibility and presence of tourism in Europe.

2.5 Conclusion of the communication

The Commission communication concludes with the basic observation that there is a need for full cooperation between all public and private players with respect to the adoption and practical implementation of tourism policies. Once more, the recommendation that collaboration should be established at every level is a precondition for improving competitiveness, which will ensure a sustainable European tourism sector in the long term. The Commission's objective in presenting the communication is thus quite clear.

3. General comments

3.1 Tourism deservedly figures strongly in the documents — both strategic and technical — of all the European institutions, but this is still far from commensurate with its current importance as an economic activity and its future potential in Europe. This role transcends purely economic considerations because it includes conspicuous social and cultural factors, and issues relating to heritage and integration of Europe's citizens, given that tourism is a cross-cutting sector with implications for many strategies, policies and Community measures.

3.2 It is important to point out that although tourism is not at the moment a common policy of the European Union, it is still the case that various European institutions are presenting measures and actions that have an impact on tourism or use it as an instrument to achieve some of the main EU objectives. The new constitutional Treaty awaiting adoption represents a step forward in recognising the complementary and coordinating role of national policies in promoting company competitiveness and acknowledging the economic dimension of tourism.

3.3 Tourism has been addressed in the different European institutions as follows:

- The **European Parliament** has adopted a series of very different resolutions on tourism and its impact on employment and the economy, for instance the Resolution on 'Tourism and Development' and the Resolution on 'Prospects and new challenges for sustainable European tourism'.
- The **Council of the European Union** has addressed tourism on a number of occasions in conclusions and action plans, basically to emphasise the need for sustainability, competitiveness and job creation in tourism. Special mention should be made of the Council conclusions of 7 July 2006 on the Commission communication on the new

EU tourism policy; the Council welcomes this policy and calls on the Commission to play an active role in coordinating various policies.

- The **European Commission** has published various communications, set up, consolidated and managed the European Tourism Forums, held conferences on various topics, such as social tourism and the Agenda 21 for European Tourism, and organised many other activities.
- The **Committee of the Regions** has presented opinions, for example on the Commission communications 'Working together for the future of European tourism' and 'Basic orientations for the sustainability of European tourism'.
- The **European Economic and Social Committee** has always taken and continues to take a particular interest in tourism-related matters, as evidenced by some 11 opinions adopted on tourism since 1999, the Committee's active participation in various European Tourism Forums convened by the Commission, and its involvement and promotion of numerous events on various aspects of tourism, e.g. the celebration of World Tourism Day in 2005 in Brussels and 2006 in León. Of particular interest is the cooperation between the EESC and other bodies on all the initiatives that they have launched in relation to tourism.

3.4 The present EESC opinion is intended not just to be a critical evaluation of the Commission communication and a presentation of relevant recommendations arising from the ensuing debate, but also to analyse existing initiatives and make clear proposals. Thus although the communication is evaluated positively, the opinion tries to focus on specific measures that taken together constitute a tourism policy. Without actually being concerned with tourism directly, there are aspects of current European policy that have critical implications for the development of tourism: free movement of people, services and goods, transport and the environment, among others. All of these measures must go into building a competitive and sustainable tourism policy.

3.5 In general terms, the message of this opinion is that:

- tourism is a right of every citizen, as set out in the Global Code of Ethics for Tourism, and brings with it an obligation to conform to good practice;
- it is a right that also generates direct and indirect wealth and profitability, in particular for small and medium-sized companies, and is thus a strategic industry for Europe which has proved sound;
- the quality of services provided by operators in the sector and the responsibility of users towards local communities are values that we must maintain as the basis for its continuing existence;
- tourism has, or should have, a positive impact on local and regional economies, as well as on social, cultural and environmental conditions, and thus provides a means of understanding other cultures and different ways of being and behaving; it also acts as an instrument for interregional cooperation;

- tourism is a dynamic sector and major source of employment now and for the future, with the potential to create good quality, stable jobs with social rights;
- tourism is not immune from problems such as overcrowding and seasonality, which lead to a loss of competitiveness;
- we believe in the need for an Agenda 21 for European Tourism that is clear-sighted and has ambitious objectives;
- the European tourism model is an internal necessity and could serve as a global point of reference if it is based not on rules but on values of quality, sustainability, accessibility, etc., which are freely taken on board by tourist destinations and all stakeholders;
- the European tourism model is based on and enriched by the variety of destinations, by the different approaches to tourism, and by the diverse forms of tourism;
- this European tourism model that we are advocating is an effective instrument for promoting peace and understanding between peoples.

4. Specific comments

4.1 The Commission communication gives a general overview of the foundations, challenges, policies, main measures and general modus operandi of a new tourism policy for Europe. Incorporating all this into a rather short communication certainly involved considerable work to summarise the material and required analysis of many documents, opinions and debates. It should be emphasised that the ultimate aim of clearly informing society about the Commission's basic views on tourism has been achieved, as well as the measures to be carried out in this complex sector.

4.2 The arguments presented in the communication in support of this new tourism policy seem appropriate, based as they are on the renewed Lisbon strategy and its two main axes, growth and employment. If attainment of these objectives is the general Community strategy, setting out the contribution of tourism to that strategy certainly means strengthening its role and establishing the right basis for its development.

4.3 Perhaps it would have been useful for the Commission communication also to analyse the role of tourism in major Community declarations and in the European constitutional treaty, trying to see how current tourism policy is defined in those documents and what the significance of new European tourism policy is. It should not be forgotten that the Member States and the regions have repeatedly indicated that they wish to maintain their responsibility for tourism, but still allow the European Union to play a catalytic role in certain areas of joint interest so as to improve the competitiveness of Europe's tourism sector. One current request that is being implemented and refined, for instance, is the setting-up and management of an internet portal to promote Europe as a tourism destination. Joint measures are needed at a time when internal frontiers are becoming more porous.

4.4 The challenges mentioned by the Commission are certainly the most important ones that will be faced by tourism in the coming decades. The list might have been longer, but certainly the key challenge of improving competitiveness is broad enough to serve as the basis for addressing other major challenges, such as enhancing quality, reducing seasonality or improving the skills of people working in the tourism industry. Vocational training and improving the qualifications of people employed in the tourism sector is particularly important within the framework of the Integrated Lifelong Learning Programme. This will make the sector more competitive and ensure high-quality services.

4.5 The Commission communication repeatedly calls for collaboration, and as indicated in the title strengthening partnership should be proposed as the linchpin and hallmark of the new tourism policy. It is particularly important to emphasise the role of trade unions and employers' organisations, which must be included in partnership arrangements, and asked to take part in all debates and forums, and in the implementation of general measures to improve the tourism sector. It would also be helpful to create a database of good tourism practice as a means of exchanging successful experiences as part of collaboration between all stakeholders. By the same token, it would be useful to promote permanent networks of tourist destinations and cities, motivated by the joint aim of improving competitiveness. The Committee welcomes the introduction of the 'European destinations of excellence' and urges that this idea should include proper management of social and labour relations and participation of trades unions and employers' organisations at the selected destination.

4.6 The Commission undertakes to implement this new policy on the basis of cooperation, of launching new, specific support measures and of coordination between actors. However, it might be necessary to give more details of the actual ways in which these three approaches will be executed. In the Committee's view, the Enterprise DG has a key role to play with respect to these tasks of coordinating all European policies that directly or indirectly affect tourism, but it is up to the Commission to decide which body should be responsible for this coordination. The Committee also considers that the Commission should play a more active role in introducing Europe-wide initiatives. Here in particular, the Committee has on several occasions proposed setting up a **European Tourism Board** and looking at the possibilities for establishing a **European Tourism Agency**.

4.7 The Commission communication makes it very clear that enhancing competitiveness is an objective and a necessity for the European tourism sector. Growing global competition in the sector is eroding the profitability of operators. Thus maintaining Europe's leading position in the global tourism industry will require substantial efforts in the future to innovate, enhance quality, support creativity and improve the productivity of all factors and players.

4.8 The Committee considers that the Commission communication does not pay adequate attention to the role of Information and Communication Technologies (ICTs) in the new scenario for tourism, both from the perspective of consumers and of companies and sectoral stakeholders. Research and development work in the tourism sector to improve the use of such technologies must be a priority in the next few years.

4.9 The Committee very much welcomes the Commission's proposal to improve regulation, but it must be borne in mind that less regulation does not always mean better regulation. Collective bargaining will have to be strengthened in areas identified by the social partners if labour regulations and standards in the sector are to be adapted.

4.10 The evident willingness to adopt concrete measures and in particular to improve the use of the European financial instruments available is important, but there is a need for more specific information and a programme should be proposed for the precise purpose of implementing the major European tourism objectives, which the communication accurately identifies. It must be ensured that the funds allocated to tourism are used effectively and efficiently to achieve the objectives.

4.11 The role ascribed to the '**Agenda 21 for European Tourism**' is of particular importance in the Commission communication, since this document is intended to serve as the

basis for strategies, programmes and actions relating to the sustainable development of tourism. A long document is anticipated that will no doubt shed light on many different questions and issues of an economic, social and environmental nature. This document should carefully consider the key issues of limits on growth, the sustainable rate of growth of tourist destinations, and the protection of the coast and other sensitive natural areas. It should also put forward viable and sustainable proposals.

4.12 The Commission communication places great emphasis on tourism statistics, but these may need to be complemented by studies with a clear strategic and forward-looking approach that identify trends, draw conclusions and provide for future action. Setting up one or more networked tourism observatories at European level could help to meet this need in the sector. There is a need for tourism statistics to pay more attention to employment variables.

4.13 The Commission communication clearly states the need to improve the visibility, understanding and acceptance of tourism in European society. As already observed in the EESC opinion entitled the Katowice Declaration, and in the opinion on 'Tourism and culture: two forces for growth' and other EESC documents, communication campaigns are also called for to inform and motivate all European citizens, in particular young people.

Brussels, 14 December 2006.

The President
of the European Economic and Social Committee
Dimitris DIMITRIADIS

Opinion of the European Economic and Social Committee on Unlocking and strengthening Europe's potential for research, development and innovation

(2006/C 325/05)

In a letter dated 9 August 2006, Dr Schavan, Federal Minister for Education and Research, acting on behalf of the forthcoming German Council Presidency, requested the European Economic and Social Committee to draw up an opinion on *Unlocking and strengthening Europe's potential for research, development and innovation*

The Committee instructed its Section for the Single Market, Production and Consumption to prepare its work on the subject.

In view of the urgent nature of the opinion, at its 431st plenary session, held on 13/14 December 2006 (meeting of 13 December), the European Economic and Social Committee appointed Mr Wolf as rapporteur-general and adopted the following opinion by 125 votes to one with two abstentions.

Contents

1. Summary and recommendations
2. General standpoints
3. Financial matters and procedures
4. Structural aspects and basic conditions
5. The human factor- Human capital- Scientists and Engineers

1. Summary and recommendations

1.1 *The Committee welcomes the request, made in preparation for the German Council presidency by the German minister for education and research, for an exploratory opinion on Unlocking and strengthening Europe's potential for research, development and innovation. It considers it important and helpful that, in this way, the views of the Committee — as the bridge to organised civil society — on this very wide-ranging and multi-faceted topic are able to play a part in shaping the future of European education, research and innovation policy.*

1.2 Bearing in mind the fact that the Commission has recently published two Communications ⁽¹⁾ dealing with the subject of 'innovation' in the full extent of the term and in the light also of the excellent Aho Report ⁽²⁾, the present opinion will focus primarily on the twin issues of research and development — which are regarded as the absolutely necessary prerequisites for any sustainable capacity for innovation — and on the requisite training. In this way excessively extensive overlaps with the abovementioned publications are also to be avoided.

1.3 Top performances in the scientific and technical field, and their conversion into a competitive, economic force, are essential preconditions to safeguarding our future, for example with regard to energy and climate issues, preserving and improving our current global position, and developing rather than jeopardising the European social model.

⁽¹⁾ COM(2006) 502 final of 13.9.2006 entitled 'Putting knowledge into practice: A broad-based innovation strategy for the EU' and COM (2006) 589 final of 12.10.2006 on an innovation-friendly modern Europe.

⁽²⁾ EUR 22005 'Creating an Innovative Europe' ISBN 92-79-00964-8.

1.4 Europe's aim, therefore, must be to be aware of and revive its tradition as the leading area for research and innovation. This means doing more to enhance the skills Europeans will need to achieve that goal, investing significantly more in research and development, increasing their efficiency, strengthening industry's willingness and ability to innovate, and reducing any obstacles that stand in the way.

1.5 The most important prerequisite for achieving this goal is a social climate that is open to progress, in which society fully understands this and all its implications, so that politicians at all levels create the necessary conditions and take decisions that are conducive to such progress and, however, also so that jobs are created and enough confidence and optimism is built up in industry for the necessary investments to be made.

1.6 This includes ensuring that the public is made more familiar with science and technology than is currently the case and making better use of the existing pool of talent by providing it with more intensive support. Much greater priority needs to be given to science and technology in primary school curricula, and even more so in secondary education.

1.7 Children and young people must be introduced to the uses of science and technology by means of a step-by-step approach which places emphasis on concrete examples and practical experience and teaches them basic terms and laws. Those who show talent for science and technology should be encouraged to pursue a — notoriously tough — course of study in this area and be given a solid basis of knowledge with which to start a career in this field.

1.8 This also means that scientific and technical training in universities and technical colleges must, at the very least, match the highest international standards. The most important capital for research and innovation are top-qualified and motivated scientists and engineers of both sexes who maintain and develop their skills through lifelong learning throughout their careers.

1.9 Furthermore, the EU, Member States and business must offer these scientists and engineers attractive work opportunities, incentives, career perspectives and the security they need to plan their lives. These need to reflect the investment in their education by society, as well as their own personal investment in a field of study that is particularly difficult and demanding. Only in this way will a change in the mobility patterns of key achievers be attained for the benefit of Europe and away from the current and much lamented brain drain.

1.10 Finally, the willingness of industry, and in particular small and medium-sized enterprises, to innovate and invest in research and development needs to be promoted and made more attractive and more rewarding through appropriate legal, administrative and financial framework conditions.

1.11 Special efforts should be made to speed up the conversion of new scientific knowledge gained from research and development into new products and processes. Through their staffing policies, businesses must ensure that sufficient scientific and technical ability is available to them, enabling them to take part in the innovation process, or at least assess new ideas or opportunities correctly, and to adapt.

1.12 Besides adopting financial or fiscal measures, or measures relating to liability legislation, particular emphasis should therefore be placed on two-way mobility between academia and business. Introducing a new and attractive mobility or scholarship system which involved academia and industry in equal proportion, facilitating knowledge transfer, training and continuous professional development, would be especially helpful.

1.13 The system should enable top-qualified scientists to work in industry (and vice versa) for limited periods of time with a full, guaranteed right of return to their previous career, rather like the sabbaticals common to higher education. It would establish a bridge for the mutual exchange of staff between academia and business, guaranteeing an optimum transfer of knowledge.

1.14 Further concrete recommendations and conclusions:

1.14.1 The Barcelona Goals, which were formulated with a view to implementing the Lisbon Strategy, must be taken very seriously by all the players addressed therein, if we are to avoid remaining in final position in the global R and D investment race. These goals stipulate that overall expenditure in the EU on R and D is to be increased so that it reaches a level of around 3 % of GDP by 2010. Two thirds of the requisite investment is to be financed by the private sector.

1.14.2 The current EU budget forecast for 2007-2013 means that, under its seventh R&D framework programme, the EU would contribute a share of only 2 % towards the total invest-

ment in research and development aimed for by the Barcelona Goals. The Committee takes the view that this is insufficient to maximise the multiplier and integrating effects that EU funding has on Member States' research funding and much-needed industry investment, and thus bring about the considerable increase that is needed in these areas.

1.14.3 Therefore, this part of EU funding should, as a first step, be increased to 3 % as part of the revision of the EU budget planned for 2008. This would be a particularly effective step by the EU towards reaching the Lisbon and Barcelona Goals, which are still as important as ever, more quickly than can be expected at present. This is also necessary because the research efforts of, for example, the USA and China are undergoing rapid growth.

1.14.4 EU law on state aid should therefore be framed in such a way as to encourage the Member States and enable them to provide more effective and less bureaucratic support than in the past, for the research and development plans of universities, research organisations and industry, and help them establish networks between them.

1.14.5 The budgetary laws of individual Member States should allow for a more flexible flow of funds to R&D measures. These should be adapted to the cycle of each project. For instance, it should be possible to transfer allocated funds to the following calendar or budgetary year.

1.14.6 Efforts to establish a Community patent should finally be brought to a successful conclusion. The outstanding language issue could be resolved by applying the long-standing practices of the international scientific community.

1.14.7 Innovation and progress are based on the combined effects of basic and applied research coupled with product-oriented development, though the borderline between these categories is not clearly defined.

1.14.8 For this reason, even closer networking of the training, research and industrial application pillars is needed. The Committee therefore welcomes the plans for the European Technology Institute (ETI), which is aimed at further developing the innovation capacity of the EU and its Member States by connecting training, research and innovation activities at the highest level.

1.14.9 Similarly, it also follows that sufficient EU funding for fundamental research is needed. The Ideas sub-programme in FP7 provides a good approach to this.

1.14.10 However, progress and continuous innovation do not depend exclusively on science and technology, but also on the motivation of all those involved, innovative business models, and the right management methods.

1.14.11 People need to be given the best possible opportunities to develop and take initiatives in line with their talents, skills and creativity. We must therefore also ensure that all the employees of a given firm or institute have the opportunity to contribute their own ideas and proposals and are rewarded accordingly. These are important issues of social research, the academic discipline of business management, and management culture in general.

1.14.12 If promoting new approaches to research, innovative technologies, business practices and business models is to be a success, one must accept that success involves a certain amount of risk. Progress and risk are two sides of the same coin.

1.14.13 Regulation that is too rigid and is aimed at standardising organisational structures, research programmes and working methods could impede the development of new approaches and innovation. The freedom to carry out research is a basic prerequisite for creative science, new discoveries and innovative technology, notwithstanding the limits which are imposed on it by laws relating to ethical issues and without prejudice to the appropriate use of allocated funds.

1.14.14 Administrative procedures for the promotion of research and development need to be simplified so as to limit the proliferation of a multitude of application, assessment, monitoring and auditing procedures — which in many cases even overlap — and to reduce them to a reasonable level.

1.14.15 Finally, reference is made to the detailed text of this opinion, which sets out the reasons for the recommendations and addresses — some very specific — further views and makes appropriate recommendations.

2. General standpoints

2.1 Bearing in mind the fact that the Commission has recently published two Communications⁽³⁾ dealing with the subject of 'innovation' in the full extent of the term (see also point 4.12.1 below) and in the light also of the excellent Aho Report⁽⁴⁾, the present opinion will focus primarily on the twin issues of research and development — which are regarded as the absolutely necessary prerequisites for any sustainable capacity for innovation — and on the requisite training. In this way excessively extensive overlaps with the abovementioned publications are also to be avoided.

2.2 Europe is the cradle of modern science and research⁽⁵⁾. Science and research, their methods and way of thinking, were decisive in paving the way to our contemporary European society, its values, its way of life and its standard of living; they were a defining characteristic of the European cultural area⁽⁶⁾. The recipe for the resulting success was the free interaction of

⁽³⁾ See footnote 1.

⁽⁴⁾ See footnote 2.

⁽⁵⁾ If the Greek/Egyptian cultural area is taken into consideration, along with the cross-fertilisation with the Indian-Arabic cultural area that has taken place from time to time, then it can be said to be the cradle of science generally.

⁽⁶⁾ A very comprehensive and detailed description of these processes can be found in the Committee's own-initiative opinion on *Science, society and the citizen in Europe* (OJ C 221, 7.8.2001).

inventive craftsmanship and entrepreneurship with scientific methods and systems.

2.3 The key social developments that led to the modern state with separation of powers, democracy, fundamental rights and social welfare legislation went almost hand in hand with scientific and technological progress.

2.4 As a consequence of these parallel processes, the living conditions of people in the countries and regions involved have changed and improved as never before in human history.

2.5 In the last 135 years, the average life expectancy of the population⁽⁷⁾ has more than doubled⁽⁸⁾. In the last 50 years, agricultural yield in terms of surface area has almost trebled. In the successful industrialised countries, the talk is now of obesity rather than malnutrition, of information overload rather than a lack of information, and of an ageing population rather than child mortality.

2.6 The capabilities and achievements of modern, mobile industrial society that have come about through research, science and innovation touch every area of human development and quality of life.

2.7 Although the immediate task of R and D is to seek out new and more profound knowledge — i.e. to delve into the unknown and to confirm what is suspected or already known — and also to develop new skills, the results of these endeavours have made a major contribution — to a degree which was in former times unimaginable — to promoting the well-being of mankind. In this figurative sense, the purpose of R and D is also to promote the well-being of mankind.

2.8 Another determining factor in the progress which has been achieved was the development and intensive use of energy-consuming industrial processes and machines. Energy freed people from the burden of the heaviest physical labour and became the 'food' of modern economies.

2.9 This leads to a first important recommendation from the Committee: the decisive impact of these achievements on our current way of life, the conditions in which they came about, and the scientific, technical and cultural achievements associated with them, must be recognised by society and accorded the significance they deserve. This understanding must be part of general basic education. The far lower quality of life and also the poverty that can still be witnessed in parts of the Third World, and which were also present in today's industrialised countries before all these achievements came about, need to be remembered so that we are able to appreciate the standard of living we now take for granted — and the conditions on which it depends.

⁽⁷⁾ In Germany.

⁽⁸⁾ Not least thanks to a reduction in child mortality.

2.9.1 Accordingly, the curricula and available teaching time at all levels of education should be oriented towards gradually introducing children and young people to a scientific and technical way of thinking and to the store of knowledge⁽⁹⁾ that exists, by using clear and interesting explanations and teaching materials. They should also raise awareness of the significance of science and technological development to everyday life. Gifted young men and women should be encouraged to choose a scientific or technical university course. Just as importantly, they should then be given the best possible scientific and technical education in colleges and universities and receive further education through lifelong learning programmes. What has been achieved to date forms the foundation for future progress.

2.10 Most of what has been said above does not just apply to Europe, though the above mentioned achievements are — sadly — not equally and sufficiently available to all people, population groups and peoples worldwide.

2.10.1 In this context, an important characteristic of the modern knowledge society should be highlighted: contrary to the practice in former times, when, for example, the manufacture of silk was protected by the Chinese as a strict secret, the knowledge that has been attained — our most valuable possession — is offered almost freely⁽¹⁰⁾, for example to students from all over the world at universities and technical institutes (even in the form of grants) and also in text books, publications, patent specifications, conferences of experts, internet publications, specialist journals, etc.

2.10.2 Putting attained knowledge into the public domain in this way contributes, on the one hand, to the global exchange of knowledge that is necessary for scientific progress, but, on the other, is also a unique and particularly effective form of development aid that, since as long ago as the 19th century, has enabled a country such as Japan, by its own efforts and starting from a mediaeval way of life and social structure, to achieve a similar standard of living to that of Europe.

2.10.3 However, there must be limits to the free availability of acquired knowledge and skills where this is necessary to get a return on the investment that has been put into research and development from its subsequent economic benefits and thus, at the same time, to provide the market with the advances needed to strengthen the competitiveness of the relevant economy.

2.10.4 To deal with this, most industrialised countries have developed a balanced legal system for time-limited protection of

⁽⁹⁾ This is not so much a matter of learning and understanding so many formulae, but rather of a basic understanding of technology and the fundamental laws of nature, and also of the significance of quantitative connections and the usefulness of mathematics.

⁽¹⁰⁾ See, however, point 2.10.3: In certain cases (i) with its use limited for a time through patents or obtainable through licensing or (ii) treated by businesses, with varying degrees of success, as commercial secrets for a time.

intellectual property, culminating in patent law. The Committee has issued several opinions⁽¹¹⁾ on this matter, and has repeatedly called for the introduction of an EU patent, but also for greater awareness of the economic and cultural importance of intellectual property. After all, the recognition and protection of intellectual property is an incentive and just reward for the inventors of new technologies and the creators of new works.

2.11 What does this mean for EU policy? First of all, this raises the important and very specific question of what fraction of gross domestic product (GDP) should be invested in research and development as part of a balanced overall policy.

2.11.1 The answer to this can be found in Europe's position in global competition — in other words, in the much-quoted Lisbon strategy⁽¹²⁾.

2.11.2 In Barcelona in March 2002⁽¹³⁾, the Council took decisions⁽¹⁴⁾ that pointed the way, stating the 3 % goal that by now is well-known. This states that total R&D expenditure in the EU should be increased such that it reaches around 3 % of GDP by 2010. Two thirds of the requisite investment is to come from the private sector (Point 47 of the Council Decision). Alongside a massive increase in the EU's own R&D investment, the aim is also to create incentives for Member States and, above all, for industry to invest more in R&D. The Committee has emphatically supported this aim in numerous opinions⁽¹⁵⁾, but it sadly looks as though — except in a few Member States — it will not be achieved. This is a disturbing state of affairs.

2.11.3 In addition, the Stern Review⁽¹⁶⁾, entitled *The Economics of Climate Change* and published at the end of October 2006, has established that reducing global warming caused by greenhouse gases will cost around 1 % of GDP, which includes further R&D activities that are necessary for this purpose.

2.11.4 But climate change and its relevance to the general problem of energy use, energy consumption and sustainable energy supply is not the only area to be addressed. Other important topics for research include combating physical and mental illnesses, making life easier for persons with disabilities, the impact of demographic change — including research into ageing, environmental protection, and generally securing the essentials of life and our European system of values. The

⁽¹¹⁾ See (OJ C 112, 30.4.2004), (OJ C 112, 30.4.2004), (OJ C 65, 17.3.2006) and OJ C 324, 31.12.2006

⁽¹²⁾ http://consilium.europa.eu/ueDocs/cms_Data/docs/pressData/en/ec/00100-r1.en0.htm.

⁽¹³⁾ http://www.consilium.europa.eu/ueDocs/cms_Data/docs/pressData/en/ec/71025.pdf.

⁽¹⁴⁾ These, in particular the 3 % target, have regrettably only been partially implemented thus far.

⁽¹⁵⁾ (OJ C 95, 23.4.2003).

⁽¹⁶⁾ http://www.hm-treasury.gov.uk/independent_reviews/stern_review_economics_climate_change/sternreview_index.cfm.

Committee has made detailed recommendations on these matters in previous opinions, e.g. the one on the 7th R&D Framework Programme and its 'specific programmes'.

2.12 It is no secret that the European Union faces the very serious challenge of increasing global competition. A particular challenge for the EU is to maintain European jobs, prosperity and social and environmental standards. This is true not just because of the economic power of the USA and Japan, but more particularly because of the significant and increasingly strong industrial and research performance of countries such as China (which wants to overtake the United States as the most technologically advanced country in the world by 2050 ⁽¹⁷⁾), India and Brazil, and in view of the significantly lower wages and social and environmental standards in those countries.

2.13 It is precisely against this background of global competition and of the global race for increased investment in research and development, including global competition for the best scientists and engineers, that the European Union must better exploit and further strengthen its potential for research, technological development and innovation. Here we are talking primarily about global competition, not that within Europe.

2.14 Europe's competitive position can thus only be maintained if it continues in the future to maintain its lead ⁽¹⁸⁾ in research, technological development and innovation, rooted in a socio-cultural environment of democracy, the rule of law, free enterprise, planning security, motivation and the recognition of achievements. The European Research Area must be strengthened and expanded. Whilst this is now generally recognised in political statements of intent, the reality in terms of action and specific priority-setting (e.g. research budgets) and the relevant regulatory frameworks (e.g. the structure of collectively agreed wages and working conditions ⁽¹⁹⁾ and tax laws) shows up significant and regrettable deficiencies, both at Community level and in most of the Member States.

2.15 Other countries that are faced with similar problems, such as the USA and Japan, but also Switzerland, are not only managing to put significantly more resources into research, technological development and innovation, but are doing so more efficiently. This is demonstrated inter alia by the attractiveness of the USA for European scientists and engineers, which continues to lead to a brain drain: whilst two-way mobility is in principle desirable, there is a surplus of experts and talent emigrating to the USA.

⁽¹⁷⁾ *Bild der Wissenschaft* 9/2006, p. 109.

⁽¹⁸⁾ The Committee has already pointed out on several occasions (e.g. OJ C 65, 17.3.2006) that because of the global race for investment in research and development, the 3 % target set in Barcelona is a moving target; he who reaches it too late still comes last.

⁽¹⁹⁾ In particular in respect of the earnings and contractual situations of young scientists and engineers.

2.16 With reference to the USA in particular, this fact is not only an indicator of financial efficiency and of a superior research system, but it also weakens Europe and strengthens the USA. Moreover, the USA's R&D policy is, in comparison with Europe, more open to and courageous with new ideas and approaches, and generally more willing to take risks. Furthermore, it is not only motivated by economic competitiveness, but equally by a coherent national security strategy ⁽²⁰⁾ and the attendant high investment in R&D, which leads to cross-fertilisation.

2.17 Europe must now therefore reinvigorate its tradition as the leading area for innovation and research, invest considerably more in research and development, promote relevant skills among its people, reward their efforts and remove any obstacles.

2.18 The most important prerequisite for achieving this goal is for society to fully understand this and all its implications, so that politicians at all levels create the necessary conditions and take decisions that are conducive to such progress. This is the only way to ensure that (a) schools and universities are able to fulfil their role in the context of global competition and (b) adequate numbers of young people commit themselves to careers in science and technology. Only in this way will enough confidence and optimism be generated in industry for the necessary investments to be made.

3. Financial matters and procedures

3.1 **Source of investment.** Research and innovation — together with effective, appropriate training for those able to carry these out — are the preconditions for the future prosperity of society. Society must therefore provide the necessary investment. In the EU, this investment comes from the EU, the Member States, the private sector and — in small part — from private foundations.

3.2 EU funding

3.2.1 **7th R&D Framework Programme.** As far as the EU is concerned, the main contribution ⁽²¹⁾ to funding for research and development will come from the 7th R&D framework programme. The budget for this, for the period 2007 to 2013, will be of the order ⁽²²⁾ of around EUR 50 billion ⁽²³⁾, which represents about 5.8 % of the total EU budget for the period.

⁽²⁰⁾ The US Department of Defense provides large-scale funding for research projects in universities and research institutes.

⁽²¹⁾ In addition, there are also funding programmes from various other Commission services, such as the framework programme for competitiveness and innovation (2007-2013) and the Intelligent Energy Europe programme.

⁽²²⁾ COM(2006) 364 final; subject to a decision of the European Parliament and the Council that is still outstanding.

⁽²³⁾ plus around EUR 2 billion from the 7th Euratom R&D framework programme.

3.2.2 This amount thus constitutes about 0.06 % of the EU's gross domestic product, i.e. only around **2 % of the Barcelona target value** (see appendix). The Committee takes the view that this is insufficient to maximise the multiplier and integrating effects that EU funding has on Member States' research funding and much-needed industry investment, and thus bring about the considerable increase that is needed in these areas.

3.2.3 The Committee very much regrets that its recommendation ⁽²⁴⁾ to increase the proportion of the total EU budget available for the 7th R&D framework programme further has not been followed.

The Committee therefore calls on the European Council and the European Parliament to aim for significant progress on this, and to increase EU funding for the seventh R&D framework programme to **3 % of the Barcelona target value, when they review the EU budget in 2008.**

3.2.4 **European Investment Bank.** The Committee also points out that European Investment Bank funding should increasingly be used to promote research, development and innovation ⁽²⁵⁾, in particular where this serves to build up the necessary infrastructure and to transfer knowledge for use in industry.

3.2.5 **European Structural Fund.** The same applies, indeed more so, to the use of the European Structural Fund. In the new Member States in particular, there is significant ground to be made up in building the necessary research infrastructure and connecting this with the establishment of modern high-tech businesses.

3.3 *Funding from Member States and business; supporting measures taken by the European Community*

3.3.1 **More investment from business.** Given the structurally modest share of Community funding, it is of the utmost importance that both the Member States and European business ⁽²⁶⁾ invest adequately — i.e. much more heavily than hitherto — in research, development and related training so as to unleash and strengthen Europe's potential for research, development and innovation, make use of the European Research Area, and at least come close to reaching the Barcelona Goals. In the case of the majority of Member States an enormous amount of catching-up is required in this respect and action needs to be taken as a matter of the utmost urgency.

3.3.2 **Reliable and suitable background conditions.** Alongside increased financial efforts, there also needs to be a

⁽²⁴⁾ (OJ C 65, 17.3.2006).

⁽²⁵⁾ The EESC's Consultative Commission on Industrial Change (CCMI) is in the process of preparing an opinion on this matter.

⁽²⁶⁾ A recent study by the European Commission showed that, in 2005, European businesses increased their R&D investment by 5.3 %. This is to be welcomed.

review of all the other background conditions so that the resources invested can have the best possible impact. In particular, views and objectives that have nothing to do with research should be subjected to a cost-benefit analysis. The greatest possible planning security should be provided, and any requirements imposed by the state must be consistent.

3.3.3 **Supporting measures to be taken by the European Community.** The European Community, too, can and must provide strong support by means of its policies, in particular through appropriate regulations or directives, an optimal environment and intelligent use of the multiplier effect of its funding from the 7th R&D framework programme.

3.3.4 **Community law on state aid.** Community law on state aid interprets EC Treaty Articles 87 and 88 to determine the type and scope of and administrative procedures for state aid ⁽²⁷⁾ from Member States that is permissible for R&D. The way in which this law on state aid is framed ⁽²⁸⁾ is thus another important lever with which to influence research funding by Member States, but also to make best use of funding from the EU's 7th R&D Framework Programme. EU law on state aid must therefore be framed in such a way as to encourage and enable Member States to support, in the most efficient and least bureaucratic way possible, the research and development plans of universities, research organisations and industry, and the synergies between them, to a greater extent and more effectively than in the past.

3.3.5 **Priority to global competitiveness.** In particular, it is important to avoid a situation where restrictions on state funding for research and development that are too narrowly drafted, associated with high administrative costs, and concerned only with the competitive situation within Europe impair the European Union's global competitiveness. On the contrary: precisely because of the very small relative contribution of EU funding ⁽²⁹⁾, the Member States must be able to support the networking of universities, research institutes and industry that is necessary within the European Research Area generously and without being obstructed by red tape.

3.3.6 **SMEs and start-ups.** It is also important to further strengthen the potential of SMEs, and especially of start-up companies, for innovation and, more generally, to provide stronger incentives for industry to invest in this area. The Committee also refers to its recommendations ⁽³⁰⁾ on the EU *Multiannual programme for enterprise and entrepreneurship, and in*

⁽²⁷⁾ See also (OJ C 80, 30.3.2004) and (OJ C 65, 17.3.2006).

⁽²⁸⁾ On 22 November 2006 the European Commission published a press release on this matter (IP/06/1600) on its website, together with a document (which lacked both a date and a reference number) on a 'Community Framework for State Aid for Research and Development and Innovation'. The EESC has not yet been able to take a stand on this document or to examine it in the light of the abovementioned recommendations.

⁽²⁹⁾ See point 3.2.2.

⁽³⁰⁾ (OJ C 234, 22.9.2005).

particular for small and medium-sized enterprises (SMEs) and to the support for the knowledge-based economy that is especially important in this context. The fact that 98 % of all firms in the EU are SMEs makes it particularly clear how important it is to strengthen the capacity for innovation of this category of enterprise.

3.3.7 The example of the USA. Inspiration should be drawn from global competitors' funding policy in this area, in particular that of the USA.

3.4 Member States' budget rules. Another significant finance-related question is whether individual Member States' budget rules are conducive to the aim of the effective use of resources. If not, the Community should work towards making the relevant Member States' budget rules more helpful to the requirements of research and development than has hitherto been the case.

3.4.1 More flexible funding-release timetables and budget rules. For large development projects, and for research and development investment in general, it is important to prevent arbitrarily set state funding-release timetables (as happens with government accounting) leading to decisions that are inappropriate to the project. Since when charting new technological territory it is not always possible to predict, with sufficient accuracy, the total cost, let alone the funding requirements for a particular calendar year, project funding may lapse due to state funding release timetables being linked to the calendar year. This leads to inappropriate optimisation procedures and inefficiency. Better solutions, such as permitting the transfer of part of the allocated funds to the next calendar or budget year, should therefore be found and incorporated into Member States' budget rules.

3.5 Member States' tax and liability laws. Similarly, the Community should work to encourage Member States to frame their tax and liability laws so that they do more to provide incentives for industry to increase investment in research and development and to keep the financial risks of introducing innovative technologies or products manageable.

3.6 Sufficient core funding by Member States. In addition, the Member States should ensure that their research institutes have sufficient core funding to be able to take advantage of co-financing from the seventh R&D framework programme.

3.7 Accounting, costing and evaluation. Similarly, the accounting, costing and expense evaluation procedures of recipients of state funding, in this case the various research institutes, should be assessed as to whether they are really appropriate to

the particular characteristics of research and development. In particular, it should be established whether business-based approaches that have been optimised for manufacturing industry can be transferred wholesale to organisations whose product is knowledge, where they may lead to distortions in terms of cost, presentation and evaluation.

3.8 Political and social priorities. In general terms, politicians — and the media as opinion formers — should raise awareness that sufficient and effective research and development are the necessary foundation for future prosperity, i.e. also for jobs, social services and competitiveness, and they should act accordingly. This applies to the necessary budget decisions in favour of the required investment, as well as to the basic conditions in respect of training, employment law, working conditions, tax law, collective bargaining law, etc. It also applies to the basic attitude of society as a whole to scientific and technological progress, which carries with it significant opportunities, but also — despite all the precautions which are taken — an unavoidable element of residual risk. Excessive risk-aversion leads to stagnation, and eventually even to a loss of knowledge skills and to retrogression.

4. Structural aspects and basic conditions

4.1 General standpoints. ⁽³¹⁾A matter of overriding importance is therefore the economic, political, social and cultural environment in which creativity and inventiveness, together with entrepreneurial initiatives, can develop to an optimal degree ⁽³²⁾ and which makes it possible to secure the services of the best scientists and engineers for the European Research Area and also to retain them in this area. Such an environment also includes, in particular, the requisite measures for maintaining or establishing optimal operating conditions for good science and research.

4.2 Testing of new ideas and concepts. Science and research endeavour to come up with the best and the newest ideas, procedures and results. This also includes the independent reproduction (or refutation) — i.e. 'certification' — of new knowledge, in addition to the dissemination and more in-depth and broader study of such knowledge, whereby the primary aim must be to venture gradually into new territory. It is therefore essential to facilitate and foster pluralistic ⁽³³⁾ and inter-disciplinary approaches to research, assessment procedures and research structures in order to stimulate and exploit the evolutionary process ⁽³⁴⁾ so as to achieve the best ideas, findings and forms of organisation in the respective cases.

⁽³¹⁾ Based in part on (OJ C 95, 23.4.2003).

⁽³²⁾ See also point 3.4.

⁽³³⁾ However, see also the point on 'Cooperation projects' below.

⁽³⁴⁾ See also OJ C 221, 7.8.2001), *Science, society and the citizen*, Point 4.7: 'Research is a step into the unknown and the approaches adopted by the individual or by the group vary and complement each other according to need, talent and temperament. Researchers are managers, engineers, collectors, hair-splitters or artists. Research is groping in the mist, hunches, surveying an unknown landscape, collecting and collating data, finding new signs, tracing underlying connections and patterns, recognising new correlations, developing mathematical models, developing the necessary concepts and symbols, developing and building new equipment, searching for simple solutions and harmony. But it is also confirming, making sure, expanding, generalising and reproducing.'

4.3 Evaluation criteria and room for manoeuvre. So, evaluation criteria must promote innovation, thereby accepting the risks of failure since there can be no a priori guarantee of success. We should avoid overly rigid 'top-down' regulations or bodies of rules designed to standardise forms of organisation, research programmes and working methods; such provisions may impede evolution towards new ideas and innovation. Innovation requires sufficient entrepreneurial freedom so that the new idea does not wither under the burden of too many restrictive regulations. Scientific freedom — inter alia the freedom from restrictive⁽³⁵⁾ or indeed ideological requirements — is a fundamental prerequisite for creative research and new discoveries, without prejudice to a) the limits placed by legislative answers to ethical problems and b) the proper use of allocated funds.

4.3.1 Bottom-up. Every research policy should therefore be based on the following principle: a 'bottom-up' approach should be adopted wherever possible, whilst a 'top-down' approach should be pursued wherever it is essential and there should be the maximum possible level of decentralisation whilst centralisation should be pursued only insofar as it is necessary. Ultimately this is a matter of achieving a balance between, on the one hand, individual capacity to generate new ideas and individual creativity, and, on the other, the necessary planning, harmonisation and steering when carrying out the bundling of resources necessary to carry out larger projects that require division of labour.

4.3.2 Cooperation projects. It is precisely those R&D projects or high-tech projects which are particularly demanding and promising that are, in the final analysis, the very ones which often require even international cooperation between the various research organisations, companies, etc., including funding by a variety of contributors. Especially in cases where the internal organisational structures, evaluation systems, staff policies and budgetary rules⁽³⁶⁾, etc. of the bodies in question show clear divergences, this may impede the desired success of such cooperation. What is important here is that all relevant stakeholders should be prepared to take each other's needs into account and, for the purposes of the specific project, to agree common rules that may deviate from their usual customs, to refrain from making specific demands for preferential treatment and to reach workable agreements.

4.3.3 Open method of coordination. Thus, whilst the point entitled *Testing of new ideas and concepts* advocates plurality and sets out the disadvantages of excessive uniformity for evolutionary progress, it is necessary to have within the cooperating institutions a minimum of uniformity of applicable rules and benchmarks for cooperation projects and for cooperation within Europe generally. In this context, the instrument of open coordination should be used carefully, in order to achieve the necessary balance between these conflicting standpoints.

⁽³⁵⁾ See also (OJ C 65, 17.3.2006), point 4.13.2 on the Charter and footnote.

⁽³⁶⁾ See also the point under the heading 'More flexible flow of funding and more flexible budgetary law'.

4.4 Simplification⁽³⁷⁾ and reduction of administrative procedures: Avoiding the creation of overlapping or parallel bodies⁽³⁸⁾. Research and development inevitably also require work in the following fields: planning, enterprise, administration and evaluation, which has to be carried out by recognised, experienced scientists and engineers. However, the required administrative procedures have become so numerous and burdensome that significant resources are taken away from actual research activities. In particular, we have witnessed inflationary growth in the volume of application, appraisal, monitoring and auditing processes which have to be carried out; this has resulted in unproductive activity which diverts energy away from real research work⁽³⁹⁾. Furthermore, a lack of investment in training, research and development cannot be replaced by stepping up the number of evaluation procedures.

4.4.1 The EESC would therefore reiterate its pressing request⁽⁴⁰⁾ that both the Commission and the Member States make an in-depth examination of this subject and seek to bring about more efficient and better coordinated procedures (in particular also involving and between the bodies concerned in the Member States). The EESC recommends, in particular, that steps be taken to reduce the excessive number of separately-acting, vertical (and also horizontal/parallel) authorising, guidance and monitoring bodies (and processes).

4.5 Promoting excellence and competition. The Committee welcomes the efforts made by the Commission, the Member States and research organisations to promote, in particular, excellence in respect of achievements or proposed programmes. These efforts are generally in line with the goal of bringing about top achievements in R&D and also tie in with the efforts either to keep the most successful researchers in Europe or to bring them to Europe. This is of course, going to entail a further increase in administrative procedures. This makes it all the more of a priority requirement to bring about massive reductions in the overall volume of these procedures and to rationalise and simplify them. The slogan 'Less is more' is particularly applicable in this case.

4.6 Blurring of the borderlines between research categories. There is no sharp distinction between the categories of basic research, applied research and development; it is rather the case that they are linked by fruitful networking and feedback. Insofar as a distinction between these categories should continue to be made in bodies of rules, the organisations concerned must be given sufficient discretionary powers and room for manoeuvre in decision-making with regard to the determination of the respective shares. The fact does however, remain that, the findings of basic research are hardly predictable or capable of being planned in advance; a properly targeted, thoroughly planned approach can only come into play in cases where the goal can be defined and the route to be followed is sufficiently clear.

⁽³⁷⁾ See also, e.g. point 1.2 (OJ C 309, 16.12.2006).

⁽³⁸⁾ Cf. CESE 1674/2004.

⁽³⁹⁾ The Association of German Universities has just published a concise comparative study on this subject: *Forschung und Lehre 9/06*, p. 516 (www.forschung-und-lehre.de).

⁽⁴⁰⁾ Point 5.1.8 (OJ C 110 of 30.4.2004).

4.7 **Moving from enhancing our knowledge of nature to the creation of innovatory products, processes and services.** Special efforts need to be devoted to the goal of speeding up the translation of new findings in the field of basic research and also of applied R&D into the creation of new products, processes or services. Although this is one of the central problems, there are, unfortunately, no all-embracing patent remedies for resolving it. A number of principles can, however, be defined and several measures can be recommended.

4.7.1 The most important measure is no doubt to improve staff mobility between **academia and industry** (see point 5.5 et seq. below) and also generally to promote mutual understanding and **reciprocal interchange** between these two 'cultures' ⁽⁴¹⁾.

4.7.2 With these aims in view, **private industry** does, however, have a duty to develop the requisite entrepreneurial culture, to concern itself to a greater degree with the findings of R&D and to become more courageous as regards the introduction of innovatory products (see also point 4.9). Businesses need to gear their personnel policies towards acquiring or building up at least the requisite amount of scientific and technical competence to enable them to make sound judgments and to be ready to adapt. They must also seek to bring about a climate which promotes innovation with a view to fostering and exploiting the creative potential of their workforces. 'Know-how can only be transmitted if it is available, recognised and understood' ⁽⁴²⁾.

4.7.3 A contribution to this could also be made by **information systems publicly accessible on the Internet**, which would make it possible for potentially interested parties to follow the path back from a general index to the results of European research as well as the original publications and their authors and to find the necessary contacts. This is partly done already by Cordis ⁽⁴³⁾. Such information systems should if possible also be accessible to disabled people ⁽⁴⁴⁾ and take account of the ageing society.

4.7.4 At least as important, however, is the question of the requisite cooperation between research institutes and companies working in related fields. Such cooperation may be promoted by direct physical proximity ⁽⁴⁵⁾; the establishment of '**clusters**' results in both inevitable and deliberately sought-after meetings and partnerships. The establishment of clusters should be further promoted by introducing appropriate programmes. But all efforts at municipal and regional level to promote knowledge transfer and establish connections should be recognised and promoted. As an example the 'Science Cities' initiatives ⁽⁴⁶⁾ should be mentioned here.

⁽⁴¹⁾ Not to be confused with the 'Two cultures' referred to by C.P. Snow: Science and Humanities.

⁽⁴²⁾ Quotation from the EESC opinion on the European Research Area, (OJ C 204, 18.7.2000).

⁽⁴³⁾ <http://cordis.europa.eu>

⁽⁴⁴⁾ See also the ERDF rules on this subject.

⁽⁴⁵⁾ This is similarly also the case with regard to inter-disciplinary research topics.

⁽⁴⁶⁾ www.sciencecities.eu

4.7.5 The Committee thus welcomes most particularly the planning ⁽⁴⁷⁾ currently under way with a view to establishing a **European Institute of Technology (EIT)**; the goal of the EIT is to expand the capacity for innovation of both the EU and its Member States by linking top-level activities in the field of training, research and innovation. The EIT is to carry out its work primarily through Knowledge and Innovation Communities (KICs) based on partnership. The Committee recommends here, too, that in particular 'bottom-up' initiatives and processes should be proposed, promoted and given priority.

4.7.6 From an overall standpoint, the Member States should also introduce stronger support measures in this context. Such measures should cover both the abovementioned '**start-ups**' and also cooperation ⁽⁴⁸⁾ between research bodies and already **established companies**.

4.8 **Importance of basic research.** Such support programmes must, however, by no means be introduced at the expense of basic research. The EESC therefore reiterates its support for the highly important 'Ideas Programme' in the seventh Framework Programme and for the *European Research Council* set up in this connection. A single new idea can unleash an avalanche of innovation, cascading into many different areas of technology ⁽⁴⁹⁾. The importance of basic research and the promotion of this research is also recognised and supported by industry ⁽⁵⁰⁾.

4.8.1 This is in line with the recommendation expressed on numerous occasions by the EESC to the effect that, when considering the **Innovation Triangle, comprising basic research, applied research and development** (product- and process-development), due weight must be given to all three of the essential pillars, including adequate support for basic research.

⁽⁴⁷⁾ The EESC will draw up a separate opinion on this matter.

⁽⁴⁸⁾ There are, however, also a number of fundamentally contrasting interests which were already mentioned in point 7 of OJ C 309, 16.12.2006, as epitomised by the following examples:

- Basic research, and indeed any longer-term research and development, thrives on early publication of findings so that other research groups have the chance to conduct control studies. It is also necessary to harness the synergies generated through immediate interaction within the scientific community, in particular where a large number of laboratories are cooperating in a joint research and development programme.
- Government must generally also insist on publication of findings from research it has funded in order to ensure a level playing field.
- On the other hand it is generally in a company's interests — in view of the competition situation — that the findings from its product development remain confidential at least until a new product is ready for the market.

⁽⁴⁹⁾ See also OJ C 309, 16.12.2006, points 1.7 and 8.

⁽⁵⁰⁾ cf. The Economic Returns to Basic Research and the Benefits of University-Industry Relationships. A literature review and update of findings. Report for the UK Office of Science and Technology* by SPRU — Science and Technology Policy Research. Alister Scott, Grové Steyn, Aldo Geuna*, Stefano Brusoni, Ed Steinmueller, 2002.

4.9 The innovative product. Even if all these recommendations are acted upon, it is the responsibility of private industry to realise, exploit or produce and market innovative products, innovative processes and innovative services based on the discoveries and capacities brought about by R&D. This process requires considerable prior investment and adequate time and also involves considerable risks for the market economy and SMEs in particular. Here, too, the EU and the Member States can, however, provide a decisive level of assistance by pursuing generally consistent policies, by removing administrative barriers, providing economic — and, in particular, tax — incentives and an adequate amount of risk capital, introducing clever, effective and unbureaucratic support programmes and, in particular, by constantly endeavouring to create a social climate which is technology- and innovation-friendly.

4.9.1 A contribution to placing innovative products (techniques, services) on the market could also be made by **public procurement**, which in this way would provide the opportunity to stimulate modernisation of public installations ⁽⁵¹⁾.

4.10 Intellectual property and Community patent. One weakness of the EU is the fact that there is no Community patent. This shortcoming leads to much higher costs and other barriers for those wishing to safeguard their intellectual property. This situation thus gives rise to two serious drawbacks: on the one hand, higher costs associated with the patent process and patent protection and, on the other hand, even the loss of possible patent protection as a result of delays and discouragement.

4.10.1 **The language problem.** One of the obstacles which stands in the way of reaching agreement in the EU on the introduction of a Community patent is the language problem. The Committee therefore recommends that the language question be solved according to the long established practice of the international science community. This should however by no means be used or understood as an effort to hinder or limit European multilingualism, which is a valuable indicator of the cultural breadth of Europe and therefore supported by the Committee ⁽⁵²⁾.

4.10.2 **Period of grace prior to publication which does not infringe novelty status.** The EESC also draws attention once again to its desire to see the authorisation of a period of grace prior to publication which does not infringe novelty status ⁽⁵³⁾, with a view to resolving the conflict between the

⁽⁵¹⁾ It is however well known that innovative leaps always involve risks of delay, higher costs or indeed failure; this can lead to public criticism, and can ultimately be measured only by long-term success. [(Examples: Airbus 380, German toll system or UMTS licences) (Universal Mobile Telecommunications System)].

⁽⁵²⁾ On a new framework strategy for multilingualism (OJ C 324, 30.12.2006).

⁽⁵³⁾ This implies that, within a given period of grace, the publication of new research findings by the inventor concerned cannot be deemed to infringe novelty status in any subsequent patent application by the inventor. See also (OJ C 95, 23.4.2003), point 5.2 and points 2.5.1 and 2.5.2 (OJ C 110, 30.4.2004).

necessity on the part of research workers to publish their findings without delay and the qualification that it should only be possible to patent new, hitherto unknown inventions.

4.11 Particular situation of the new Member States. Whilst, on the one hand, the new Member States generally possess the competitive advantage of having lower wage levels — the corollary of which, of course, is that most of their citizens have to contend with the disadvantage of a lower standard of living — these Member States do, on the other hand, suffer from the shortcoming that the infrastructure required for R&D remains less developed in their countries.

4.11.1 The EESC has therefore recommended on numerous occasions ⁽⁵⁴⁾ that a much larger part of the resources of the EU's **Structural Funds** be used for the development of scientific infrastructure. The use of funding from the **European Investment Bank** for this purpose could also be highly beneficial.

4.11.2 The new Member States, too, for their part, should, however, do their utmost to make good the abovementioned shortcoming as soon as possible and then gradually to achieve the 3 % objective. Overall, providing strong support to the new Member States to help them develop their research systems and to foster the next generation of scientists must be a priority objective of the EU.

4.12 Innovation ⁽⁵⁵⁾ in the general sense. Whilst the observations and recommendations set out up to now have considered 'innovation' mainly in terms of a consequence of scientific and technical activity and initiatives, attention is drawn here expressly to the entrepreneurial, commercial and social aspects ⁽⁵⁶⁾ and the scope for innovative ideas and processes. These latter aspects and possibilities undoubtedly complement the abovementioned scientific and technical aspects and are equally important in terms of prosperity, competitiveness and the Lisbon Strategy. As employed in this exploratory opinion, these aspects and possibilities relate primarily to economic and social policy issues, which are to be dealt with separately in a future opinion on the Lisbon Strategy (see also the following chapter).

4.12.1 In this context the Committee welcomes the **Commission Communications ⁽⁵⁷⁾** (see also point 1.2) of 13 September 2006 'Putting knowledge into practice: A broad-based innovation strategy for the EU' and of 12 October 2006 on an innovation-friendly Europe, the main thrust of which it

⁽⁵⁴⁾ For example in (OJ C 65, 17.3.2006).

⁽⁵⁵⁾ According to the Commission's Proposal for the establishment of the European Institute of Technology: 'Innovation means the process and the outcomes of this process through which new ideas respond to societal or economic demand and generate new products, services or business models that are successfully introduced in an existing market or that are able to create new markets.' In the present exploratory opinion, the term 'innovation' refers primarily to scientific and technical processes or products.

⁽⁵⁶⁾ See footnote 55 above. A more concise definition which has been coined in English is as follows 'Innovation is the successful exploitation of new ideas'.

⁽⁵⁷⁾ COM(2006) 502 final and COM(2006) 589 final as well as footnotes 1 and 2.

fully supports and some points of which it develops in this opinion. (The first of the Communications refers to the Aho Report⁽⁵⁸⁾), which is likewise deserving of support. The Committee also refers to its own proposals⁽⁵⁹⁾ for an innovative employment policy.

5. The human factor — Human capital — Scientists and engineers⁽⁶⁰⁾

5.1 Personal aspects — motivation. In this context the EESC would draw attention to its opinion dealing specifically with this issue⁽⁶¹⁾ and would reaffirm and underline the comments set out in this opinion. As it had already done on earlier occasions, the EESC pointed out in the abovementioned opinion that human capital was the most delicate and most valuable research, development and innovation resource. The most important task is therefore to motivate talented young people to embark upon a scientific or technical education and to provide them with the best possible such education.

5.2 Universities and institutes of technology. The existence of the requisite training bodies is therefore a key prerequisite for meeting requirements as regards good scientists and engineers. It is therefore essential to establish and maintain — working in liaison with research and teaching bodies⁽⁶²⁾ — an adequate number of properly equipped, top-quality attractive universities and, above all, institutes of technology, possessing excellent teaching staff. These universities and institutes of technology must be able to stand up to competition with the best universities in the USA or other non-European states. They must consequently also be sufficiently attractive to draw the best students from non-European countries. In this context, too, the EIT could play a helpful role.

5.3 Mobility. In view of the fact that, following a successful university education, mobility, both within Europe and involving countries outside Europe, is now already regarded almost as part of the necessary further training for scientists and engineers, two further demands consequently need to be made, namely:

5.3.1 Mobility must be rewarded rather than being penalised. Regrettably there are still a large number — and even some quite new⁽⁶³⁾ — wage, tax, insurance and pension provisions which bring about exactly the opposite effect. There is a need for a systematic and targeted review/correction of all the aspects/barriers concerned. Furthermore, account needs to be taken of the fact that, in view of the need to maintain family cohesion, the measures in question will have to be applicable to families as a whole.

⁽⁵⁸⁾ Esko Aho/EUR 22005. <http://europa.eu.int/invest-in-research/>.

⁽⁵⁹⁾ E.g. 'Flexicurity: the case of Denmark' (OJ C 195, 18.8.2006).

⁽⁶⁰⁾ Both men and women.

⁽⁶¹⁾ Opinion on Researchers in the European Research Area: one profession, multiple careers — (OJ C 110, 30.4.2004).

⁽⁶²⁾ With this aim in view, the achievement of even better networking between universities and non-university research bodies could be helpful, particularly in order to include in such networking the equipment and infrastructure of such research bodies.

⁽⁶³⁾ For example in the case of Germany.

5.3.2 Mobility must not lead to a one-way brain drain. The prospects of achieving success based on the equipment provided and the working environment, together with levels of income and career opportunities for research workers and engineers must thus be geared to those which are on offer in the non-European countries which provide particular competition to the EU Member States.

5.4 Careers. By virtue of the investment carried out by society, on the one hand, and individual researchers, on the other hand, with a view to acquiring the desired broadly-based and not readily accessible fundamental knowledge and high-grade special knowledge, society — as represented by politicians — assumes responsibility for making optimal use of this investment. This responsibility must be reflected in a concern to ensure that trained research workers are provided with **suitable career paths**, with attractive options for branching out into other fields, without running the risk of being professionally sidelined. If qualified scientists and engineers are unemployed or underemployed, this represents a wastage of economic investment and serves as a deterrent for the next generation of top-level scientists and engineers, with the result that they opt for non-scientific and non-technological careers or emigrate to countries outside Europe.

5.4.1 Doctoral students. In view of the necessary duration of a complete course of scientific and technical study, followed by a doctoral thesis and bearing in mind that dissertations in scientific and technological fields require students to be able to work independently and demonstrate total professional commitment, such commitment should be properly recognised and rewarded (as regards engineers, this is also sometimes the case). It is harmful, for a variety of reasons, to condemn particularly the most talented young scientists to financial dependency for too long a period during their **doctoral studies** by providing them with inadequate **payments**⁽⁶⁴⁾. Engineers and scientists who have completed a full course of academic study are not to be regarded as apprentices or trainees.

5.4.2 As regards the subsequent career path, it is important to develop attractive '**Tenure-track**' models and alternative options for branching out into other professional activities. The observations made at the end of the preceding chapter also apply — even more forcefully — in this context.

5.4.3 Providing people with the right opportunities. Progress and ongoing innovation also depend on motivating all the parties concerned and introducing new social models and the right management methods. We have to provide people, including all employees in firms and research institutes, with the best possible opportunities — in the light of their talents, capabilities and levels of creativity — to develop their gifts and display initiative and we also need to bring about a social climate which promotes their creativity. These are all very important matters of social policy and social research, family policy, business management teaching and management culture in general. In this context the importance, with a view to promoting creativity and productivity, of having a good 'work-life balance' has also now been recognised⁽⁶⁵⁾.

⁽⁶⁴⁾ See also (OJ C 110, 30.4.2004).

⁽⁶⁵⁾ See Frankfurter Allgemeine Zeitung, edition number 257 of 4 November 2005, Section C1.

5.5 **Interchange between academia and industry.** The best channel for transferring knowledge and exchanging experience is via the respective scientists themselves. Efforts have therefore been made over a long period of time to organise more exchanges of personnel between universities and research bodies, on the one hand, and industry, on the other hand. Despite the difficulties and obstacles which have to be contended with, it is absolutely necessary to step up these efforts.

5.5.1 Regrettably, little success has indeed been achieved ⁽⁶⁶⁾ so far in overcoming a variety of barriers, such as **collective bargaining law, the appeals culture, career criteria**, etc. In view of the fact that the problems which exist are essentially well known, fresh attempts should be made to bring an influence to bear on the procedures or to modify them and to remove barriers in respect of salary levels. It is, however, not only a matter of salary levels and very different levels of income; a further factor is the differences as regards **enterprise culture as between industry and the academic world**. Even though some of these differences are likely to be of an intrinsic nature, it is nonetheless important to endeavour to bring about much more interchange and cooperation between the personnel

involved. The EESC recommends that new ideas be put forward for achieving positive results in this key issue.

5.5.2 In addition to stressing the financial, tax law and liability law aspects, special emphasis should therefore be placed on promoting reciprocal mobility between academia and industry. The EESC would accordingly reiterate its recommendation that a **system of grants or support** be introduced with a view to providing incentives for limited (e.g. lasting one to three years) **reciprocal mobility** between industry and scientific bodies (with guarantees being provided that participants can subsequently return to their previous careers) along the lines of the arrangements governing academic **sabbaticals**. Such mobility could lead not only to promoting better acquaintance on a personal level and a better understanding of the conditions under which the respective parties work and bring about a transfer of knowledge but could, of course, also pave the way for longer-term exchanges. Whilst the Committee recognises that return arrangements under such schemes could also be problematical for participants from both academia and industry ⁽⁶⁷⁾, the benefits of such a system of grants should be of a sufficient order as to make it possible to overcome these problems. This scheme could indeed also open up additional career prospects.

Brussels, 13 December 2006

The President
of the European Economic and Social Committee
Dimitris DIMITRIADIS

⁽⁶⁶⁾ See, for example, the publication entitled *Forschung und Lehre* (published by the Association of German Universities; www.forschung-und-lehre.de) 4/06 p. 208 *Forschung und Lehre* 7/06; p. 402.

⁽⁶⁷⁾ See, for example, the article on careers and prospects ('Beruf und Chance') in the *Frankfurter Allgemeine Zeitung*, edition number 251, of 28 October 2006, Section C1.

Opinion of the European Economic and Social Committee on the Proposal for a Directive of the European Parliament and of the Council on the identification of controls, tell-tales and indicators for two- or three-wheel motor vehicles (Codified version)

COM(2006) 556 final — 2006/0175 (COD)

(2006/C 325/06)

On 19 October 2006, the Council decided to consult the European Economic and Social Committee, under Article 95 of the Treaty establishing the European Community, on the

On 25 October 2006 the Committee Bureau instructed the Section for the Single Market, Production and Consumption to prepare the Committee's work on the subject.

Given the urgent nature of the work, the European Economic and Social Committee appointed Mr Simons as rapporteur-general at its 431st plenary session, held on 13 and 14 December 2006 (meeting of 13 December), and adopted the following opinion by 117 votes with one abstention.

1. Conclusions and recommendations

1.1 In a 'people's Europe', it is important that Community law should be both understandable and transparent. The European Parliament, Council and Commission have therefore also highlighted the need to codify legislative acts that have been frequently amended, and have agreed by interinstitutional agree-

ment that an accelerated procedure may be used. Codification may not involve any substantive changes to the acts in question.

1.2 The Commission proposal under discussion here is fully consonant with the objective of codification and with the rules involved. The EESC therefore endorses it.

Brussels, 13 December 2006.

The President
of the European Economic and Social Committee
Dimitris DIMITRIADIS

Opinion of the European Economic and Social Committee on the Communication from the Commission to the Council and the European Parliament — Towards a sustainable European wine sector

COM(2006) 319 final

(2006/C 325/07)

On 22 June 2006 the European Commission decided to consult the European Economic and Social Committee, under Article 262 of the Treaty establishing the European Community, on the abovementioned proposal.

The Section for Agriculture, Rural Development and the Environment, which was responsible for preparing the Committee's work on the subject, adopted its opinion on 8 November 2006. The rapporteur was Mr Kienle.

At its 431st plenary session, held on 13 and 14 December 2006 (meeting of 14 December), the European Economic and Social Committee adopted the following opinion by 107 votes to two with four abstentions:

1. Summary of conclusions and recommendations

1.1 The European Economic and Social Committee welcomes the fact that the European Commission has submitted a report on reform of the European market organisation for wine. The Committee particularly welcomes the fact that the Commission proposes in principle the maintenance of a specific wine market organisation, which can be pursued within the 'profound reform' option.

1.2 Given that the market share of European wines in relation to wines from countries outside the European Union, especially 'new world' countries, has declined, both in the internal market and in important export markets, a change in the legal framework conditions is needed to improve the competitiveness of European wines and win back market shares. The Commission should pay greater heed in the reform and the external trade provisions to the position of the European wine sector as global market leader.

1.3 The EESC would draw attention to its opinion of 27/28 January 1999 ⁽¹⁾, in which it took the view that the European Commission's reform proposals at the time were inadequate. Many of its ideas are now more topical than ever, particularly with reference to competitiveness, intervention measures, taking account of regional differences, and information. The Committee underlines that wine and viticulture are an important and integral part of European culture and the European way of life. Viticulture moulds the social and economic environment in many European wine growing regions.

1.4 The Committee therefore attaches importance to account being taken in the reform not only of economic consequences, but also of the effects on employment, the social fabric, the environment (particularly through the programme of grubbing up vines) as well as consumer protection and health.

1.5 The Committee points out that viticulture in the European Union provides a living for 1,5 million predominantly small family enterprises. It provides more than 2,5 million

workers with at least seasonal employment. The Committee therefore thinks it important that preference be given in the reform to measures which have a positive effect on the income of wine-growers and on employment opportunities in European viticulture.

1.6 The EESC regards the European Commission proposal to make a national envelope available to each wine-producing Member State as an important contribution to more subsidiarity and more account being taken of regional differences. In its proposals on the division of promotion instruments between the European Community framework and measures in the context of the national envelope, the EESC holds to these principles and rejects steps towards the renationalisation of wine market policy.

1.7 The calls upon the Commission to propose concrete measures on consumer information and the promotion of wine sales in both the internal market and export markets.

2. Comments and proposals made by the Commission

Reform objectives

2.1 The Commission mentions as objectives of the reform: increasing the competitiveness and strengthening the image of European wines, winning back market shares and gaining new market shares, keeping rules as simple as possible, taking account of the social and political role of wine growing regions.

2.1.1 The Commission gives as a further objective the establishment of a balance on the market and to that end proposes certain measures, such as the need for extensive grubbing-up.

The present CMO for wine

2.2 The Commission document analyses the present market situation, describes problems with the present CMO and proposes appropriate measures.

⁽¹⁾ OJ C 101 of 12.4.99, pp. 60-64.

Four options

2.3 The Commission considered four possible options for the reform of the EU wine market organisation:

- maintenance of the status quo with slight adaptations,
- reform on the lines of the CAP reform,
- deregulation of the wine market,
- profound reform of the CMO.

2.3.1 On the basis of its assessments the Commission comes to the conclusion that of the four options the profound reform offers the most advantages and that the maintenance of a specific wine market organisation is necessary.

Profound reform of the CMO

2.4 The Commission proposes two variants: a one-step reform and a two-step reform. Under variant A the planting regulation would be abolished immediately (or on 1 August 2010) with no transitional regulation. Under variant B an extensive grubbing-up scheme would be carried out before the abolition of the planting regulation, in order to achieve a structural adjustment.

Abolition of market management measures and introducing more forward-looking measures

2.5 The Commission proposes that the following measures be abolished immediately:

- support for by-product distillation,
- potable wine distillation and crisis distillation,
- private storage support,
- must aid in relation to enrichment and for making grape juice.

National envelope

2.6 The Commission proposes that a budget envelope be made available to each wine-producing Member State, calculated according to objective criteria. With this envelope it would finance measures best suited to its situation from a given menu.

Rural development

2.7 The Commission proposes that many of these adjustment and restructuring measures could be carried out in the context of rural development and that funds for this purpose could be transferred from the specific wine budget to Pillar II.

Quality policy and geographical indications

2.8 The Commission proposes a substantial revision of the current quality regulatory framework with a view to better conformity of EU quality policy with the international rules, particularly the TRIPs Agreement.

Winemaking practices

2.9 The Commission proposes a liberalisation of winemaking practices taking particular account of the standards of the international wine organisation (OIV).

Enrichment

2.10 The Commission proposes a ban on enrichment with saccharose, combined with abolition of the aid for use of must concentrate as well as a considerable reduction in the enrichment level for the northerly wine growing areas.

Labelling

2.11 The Commission proposes to simplify the labelling provisions by setting up a single legal framework applying to all the different categories of wine and particulars relating to them.

Promotion and information

2.12 The Commission intends to pursue a responsible promotion and information policy. All available opportunities in existing Community legislation should be used.

Environment

2.13 The Commission intends to ensure that the reform of the wine regime also contributes to minimising the effects of vine growing and wine making on the environment.

WTO

2.14 The Commission attaches importance to the new CMO being WTO-friendly. It therefore envisages the abolition of current intervention measures and allowing the production of wines in the European Union from imported must as well as the blending of Community wines with wines from outside the EU.

3. General comments*Reform objectives*

3.1 The EESC can to a large extent support the objectives mentioned by the Commission. However, it thinks some adaptations are necessary.

3.1.1 The EESC points out that in its earlier opinion it mentioned the following objectives among others:

- improvement of the long-term competitiveness of the sector,
- abolition of intervention measures used to provide artificial outlets for surplus production,
- account to be taken of regional differences,
- information on the advantages of moderate wine consumption.

3.1.2 The EESC thinks it necessary to investigate thoroughly whether in a globalised wine market and after the removal of effective external protection the objective of market balance is still attainable at all.

3.1.3 Special attention should therefore be given to increasing the competitiveness of domestic producers. It is important to strengthen the European market position, support efforts to improve quality and adjust more to market developments and consumer preferences.

3.1.4 The Committee regards it as necessary for the economic objectives to be given practical expression and supplemented by social and employment policy objectives. In this context, efforts should be made, above all, to improve the income situation of wine-growing enterprises. Special attention should be paid to enhancing the scope for development available to young wine-growers. Employment opportunities for the permanent labour force and for seasonal workers must be taken into account and the conditions for proper payment improved.

3.1.5 The Committee has doubts about a transfer of powers from the Council of Ministers to the Commission, e.g. for the authorisation of innovative wine-making procedures, as the Commission has failed to represent the interests of European wine producers adequately in negotiating bilateral agreements.

3.1.6 The EESC takes the view that the current financial resources must be increased in order to take account of the accession to the EU of two new producer countries.

The current CMO for wine — ex post analysis

3.2 The EESC thinks there is a need to review the Commission's analysis and the resulting measures thoroughly, as the analysis of organisations involved in the market and independent organisations is called into question.

3.2.1 The Committee thinks it necessary to improve and extend market observation in order to obtain better data on production, trade and consumption as a basis for the organisation of the wine market. The general data used so far are important, but inadequate. Also needed is current information on changes in production structures, outlets and consumer behaviour.

3.2.2 The Commission's claim that structural surpluses are increasing should be checked. The Committee points out that the increase in stocks should also be considered in the light of increased production of quality wine.

Four options

3.3 The EESC is in favour of a thorough evaluation of these four options, but after an initial analysis agrees with the option chosen. However, the formulation of the 'profound reform' option needs to be modified.

3.3.1 The Committee particularly welcomes the fact that the Commission proposes the maintenance of a specific wine

market organisation. All aspects of market organisation, from production to consumption, and particularly measures on consumer protection, health care and consumer information, should be taken into account within the wine market organisation.

Profound reform

3.4 The EESC takes the view that the new wine market organisation should come into force in 2008. It does, however, think there is a need for a phasing-out period, to enable enterprises to carry out gradual adjustments, where necessary, in order to comply with the new basic conditions.

3.4.1 The EESC is entirely opposed to spending more than a third of the available budget on a grubbing-up programme, which would mean that these funds would not be available for market measures or measures to increase competitiveness. The importance of grubbing-up as an instrument of market organisation, which is to be offered to wine-growing regions for use on a voluntary basis within an overall Community framework, is, however, recognised (see below).

3.4.2 The EESC opposes total liberalisation of the planting rules as this would jeopardise the achievement of the economic and social objectives of the reform of the wine market and its objectives in respect of environmental policy and maintenance of the landscape. Shifting wine production from man-made wine-growing landscapes to areas which are cheaper to cultivate cannot be supported. If the EU planting regulation, together with a ban on new planting, is to be abolished, an enabling framework should be created to make it possible for wine-growing regions to continue to apply their planting rules in accordance with the objectives of the European wine market organisation or to devise planting rules in accordance with these objectives.

3.4.3 The Committee deplores the fact that the Commission does not follow up its words on winning back market shares with any deeds in the planning of the profound reform. There is a lack of instruments and measures to translate these worthwhile objectives into reality.

Abolition of market management measures and introducing more forward-looking measures

3.5 The EESC would draw attention to its earlier call for the abolition of intervention measures, which provide artificial outlets, and it expresses its appreciation of the proposals in the light of this objective.

3.5.1 The Committee recommends that grubbing-up may be offered, as a voluntary measure and as part of a structural programme including social components, by wine-growing regions to enterprises wishing to withdraw, wholly or in part, from wine production.

3.5.2 The Committee does not regard an immediate abolition of intervention measures as feasible. It therefore recommends that within the national envelope in the 2008-2010 phasing-out period:

- distillation to produce potable alcohol (formerly Art. 29), and
- private storage support (formerly Art. 24 ff.)

can be offered.

3.5.3 The EESC believes that the obligation to dispose of by-products should be maintained in order to ensure the quality of wine production and avoid abuse.

3.5.4 The Committee would argue that crisis distillation as a component of crisis management can be offered permanently within the national envelope. The Committee believes that the national financial envelopes should include crisis prevention measures based on shared responsibility among wine-producers.

3.5.5 The Committee thinks it necessary to introduce new forward-looking instruments in order to achieve the objectives listed. These include:

- extensive market observation,
- information programmes for the internal market, to inform consumers of the advantages of moderate consumption and to warn them against abuse,
- creation of an export promotion programme,
- information programmes for consumers in non-EU countries and
- research programmes, including such programmes carried out in cooperation with non-EU countries.

3.5.6 The Committee emphasises that the market organisation instruments must in the first instance benefit those who wish to developing winemaking further in Europe, and not be geared to those who drop out for whatever reason.

National envelopes

3.6 The EESC welcomes this proposal, as it corresponds to its own demands for more account to be taken of regional differences and for subsidiarity to be applied more consistently in the wine sector. A coherent and adequate Community framework must nevertheless be maintained in order to avoid renationalisation and keep the European character of the European wine sector. A similar programme should also address the needs of areas subject to extreme climate conditions.

3.6.1 It had already called in its earlier opinion (CES 68/99) for it to be a matter for the Member States to decide which measures in the reform programme to choose for their wine-producing regions. Producer organisations, together with sectoral associations and bodies pursuing the requisite objectives can have an important role to play in this matter.

3.6.2 The EESC points out that it has called for a special programme to promote disadvantaged wine-growing areas, such as steep and sloping vineyards. A similar programme should also address the needs of areas subject to extreme climate conditions.

3.6.3 The EESC is in favour of an extensive catalogue of measures which in its view should go beyond the examples given by the Commission. It refers to its opinion (CES 68/99) in which it called for a considerable extension of the programme to promote cellaring and marketing.

3.6.4 The EESC further believes that the national budget envelopes should finance measures that are consistent and integrated with each other in order to maximise their impact. Such measures should be integrated in chain projects from the vineyard, to the processing and marketing of the product. In addition, funding is needed for measures permitting producers to co-manage the potential and scope of alternative outlets. The EESC believes that the central players in the management of these projects are the wine-producer organisations.

3.6.5 The budget for the financial envelopes should be divided up according to the vineyard area key, as already occurred with the restructuring. In the phasing-out period adequate funding should be earmarked for the market mechanisms which are to be discontinued in order to enable enterprises which hitherto availed themselves of such mechanisms to adjust gradually to meet the new basic conditions.

3.6.6 The instruments of the national envelope should be defined in the EU wine market organisation. It is incumbent on the Member States, in the context of their proportion of the budget (vineyard area key) to make a choice with a view to making their viticulture more competitive. The programmes must be communicated to Brussels. Responsibility for proper implementation lies with the Member States.

3.6.7 The Committee proposes the following division of promotion instruments between European Community measures and measures in the context of the national envelope:

3.6.7.1 European Community measures:

- European market observation,
- information programmes for consumers at European level and on export markets,
- export programmes for third countries,
- research programmes.

3.6.7.2 National envelope:

- aid for the use of must in enrichment,
- Article 29 distillation (2008-2010),
- aid for distillation of by-products (2008-2010),

- definitive and temporary grubbing-up measures (2008-2010),
- area-linked direct aid,
- fodder crops,
- aid for grape juice production,
- restructuring of vineyards and measures,
- measures to improve registration and marketing structures (e.g. integrated network of enterprises and combinations of enterprises),
- information programmes for consumers,
- measures to improve quality,
- programme for disadvantaged wine-growing areas, such as steep and sloping vineyards, and areas subject to extreme climate conditions,
- crisis management (prevention and control of crises, insurance fund).

Rural development

3.7 In many of its opinions the Committee has emphasised the importance of the second pillar for the future development of the countryside, to which the European wine producing areas also belong.

3.7.1 Whilst taking account of this fundamental broad objective, the EESC considers that, with a view to resolving the special problems of the wine sector, all the measures discussed in connection with the reform of the wine market should be financed from the wine budget. This budget must therefore not be reduced, either by means of cuts or transfers of funding.

Quality policy/geographical indications

3.8 In view of the fact that the Commission's proposals are of very wide-ranging importance and are designed, ultimately, to do away with the current system for ensuring wine quality, the EESC expects the European Commission to draw up simulation models for determining the effect which the proposals would have on the objectives of the reform of the wine market, as regards both improvement in competitiveness and measures to promote enhanced quality and also the impact of these proposals from consumer standpoints.

3.8.1 The EESC urges that the current provisions of the TRIPs Agreement should first be implemented, in particular the introduction of a register for protecting designations of origin, before discussing any amendment of the current European quality system.

Wine making practices (WMPs)

3.9 In the EESC's view, the Commission's proposals contain a number of inconsistencies which will have to be resolved.

3.9.1 The EESC believes that it is absolutely essential to establish an internationally recognised definition of 'wine'. This

would also make it necessary to lay down recognised production methods.

3.9.2 The authorisation of any WMPs approved anywhere in the world would conflict with the proposed closer alignment on OIV standards.

3.9.3 The EESC calls for the drive to bring WMPs into line with OIV standards to be incorporated more consistently into the strategic thrust of bilateral or international trade agreements.

3.9.4 The EESC opposes the proposal to authorise the production in Europe of wine made from imported grape must or must concentrate and the proposal to authorise the blending of EU products with products from other countries.

Enrichment

3.10 In its 1999 opinion on this subject, the EESC had called for account to be taken of the varying conditions in respect of location, climate and weather in the European Union. This is a very sensitive issue and one which must not bring about a split in the European wine industry or even result in the blocking of the proposals for reform.

3.10.1 In making its appraisal of the Commission's proposals, the EESC has therefore taken account of the following elements: the earlier EESC opinion on the subject; the analyses carried out by the Commission; the proposed liberalisation of the WMPs; recognition of wine making procedures under bilateral agreements; and the objectives of the reform of this sector, in particular the need to increase competitiveness and reduce production costs. After weighing up the pros and cons of the Commission's proposals, the EESC advocates a general continuation of the existing provisions governing the use of sucrose and the aid for must concentrate.

Labelling

3.11 The EESC regards the Commission's proposals in respect of labelling as highly complex and it expects the Commission to carry out an accurate simulation of the impact of the proposed changes.

3.11.1 The EESC draws attention to the fact that, following a debate lasting a number of years, labelling law has been amended only very recently. It therefore calls upon the Commission to explain what new factors now come into play which were not assessed in the debate which has just come to an end.

3.11.2 The EESC welcomes moves to simplify labelling provisions, provided that they promote improved consumer information. Such changes must not, however, lead to an increased risk of distortion of competition or misleading of consumers, resulting in a flood of legal disputes. The proposal by the European Commission for the grape variety and vintage year to be optionally indicated in the case of simple table wines should also be scrutinised from this standpoint since such wines have to comply with a lower level of requirements than do regional wines and quality wine produced in a specific region (quality wine psr).

3.11.3 The EESC draws attention to the growing linguistic diversity in an ever larger European Union. This linguistic diversity may give rise to trade barriers, as is currently the case with regard to the indication of the use of sulphite. With regard to the indication of mandatory information on labelling, such as the description of ingredients, provision should therefore be made for this information to be indicated by making use of readily comprehensible symbols.

Promotion and information

3.12 In its opinion number CES 68/99, the EESC had already called for steps to be taken to make the provision of information on the health benefits of a moderate level of wine consumption and the dangers of the abuse of wine to be made one of the key pillars of the wine CMO.

3.12.1 As the proposals put forward by the Commission are very vague, the EESC calls upon the Commission to propose concrete measures in respect of consumer information and the promotion of wine sales in both the internal market and export markets; such measures should go beyond the current unsatisfactory framework and be conducive to winning back or extending market share.

3.12.2 With this aim in view, particular attention must be paid to the provision of comprehensive information on the benefits of moderate wine consumption as an integral part of a healthy diet and a modern lifestyle.

3.12.3 The deterioration in the external trade balance, a phenomenon which has been ongoing for a number of years, has to be halted and the situation needs to be considerably improved by introducing export promotion programmes.

Environment

3.13 In its opinion of 1999 (CES 68/99), the EESC had already called for a more wide-ranging consideration of the environmental aspect.

3.13.1 Wine-growing areas usually represent unique man-made landscapes which have to be cared for by wine-growers through the use of environmentally friendly methods of cultivation. Wine-growing represents an integral part of the life and culture of whole regions, the economic, social and cultural existence of which is dependent upon this sector.

3.13.2 Any reform must therefore fully take account of the environment, the social fabric, infrastructure, the economy and quality of life.

WTO

3.14 In its abovementioned opinion of 1999 (CES 68/99), the EESC had already rejected any move to authorise the blending of Community wines with non-EU wines and the production of wine in the EU using non-EU products, on the grounds that these measures would give rise to disadvantages for EU producers and entail risks of abuse incurred by consumers. In this earlier opinion the EESC had deplored the lack of Commission proposals for making EU wine more competitive in international trade, particularly in export markets. The EESC reiterates this criticism in respect of the forthcoming reform of the wine market.

3.14.1 In the light of its earlier analyses, the EESC calls upon the Commission to pay greater heed, in the reform of the organisation of the wine market and, in particular, in the context of external trade provisions, to the position of the EU wine sector as the global market leader.

Brussels, 14 December 2006.

The President
of the European Economic and Social Committee
Dimitris DIMITRIADIS

Opinion of the European Economic and Social Committee on the Proposal for a Council Regulation amending Regulation (EC) No 1698/2005 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD)

COM(2006) 237 final — 2006/0082 (CNS)

(2006/C 325/08)

On 13 July 2006 the Council decided to consult the European Economic and Social Committee, under Articles 37 and 299(2) of the Treaty establishing the European Community, on the abovementioned proposal.

The Section for Agriculture, Rural Development and the Environment, which was responsible for preparing the Committee's work on the subject, adopted its opinion on 8 November 2006. The rapporteur was Mr Kienle.

At its 431st plenary session, held on 13 and 14 December 2006 (meeting of 13 December), the European Economic and Social Committee adopted the following opinion by 127 votes to three, with 4 abstentions.

1. Summary of conclusions and recommendations

1.1 In the view of the EESC, the proposal to amend two articles in the EAFRD Regulation is a logical consequence of the European Council decision on the Financial Perspective 2007-2013. When allocating resources from the Cohesion Fund, it makes sense to take into account the economic strength of Member States on a case-by-case basis. In the situation as described, exempting Portugal from the co-financing obligation is acceptable.

1.2 The EESC also takes the opportunity afforded by the submission of the Commission's proposal to study carefully the reduction in EAFRD resources and the special regulations for some Member States concerning the level and system of rural development resources, both adopted at the European Council.

2. Introductory remarks

2.1 *The EU's Financial Framework 2007-2013*

2.1.1 Following months of negotiations, on 19 December 2005 the EU heads of state or government agreed on the EU's Financial Framework for the period 2007-2013. The compromise, enacted in the intersinstitutional agreement of 14 June 2006 between the European Parliament, the Council and the European Commission, includes funding arrangements for the various headings, as well as a raft of other provisions.

2.2 *Current legal basis of the EAFRD Regulation*

2.2.1 Some of these agreements concern support for rural areas, which is set out in Council Regulation (EC) No 1698/2005 of 20 September 2005 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD).

2.2.2 The Commission proposes incorporating the agreements struck in December 2005 into Regulation (EC) No 1698/2005 (the EAFRD Regulation). The purpose of the Commission proposal is thus to bring the EAFRD Regulation into line with the wording of the financial agreement.

3. Gist of the Commission proposal

3.1 *Aim of the Commission proposal*

3.1.1 The aim of the Commission proposal is to harmonise the Council decision on the Financial Perspective 2007-2013 of 19 December 2005 and the EAFRD Regulation. This involves amending two articles of the EAFRD Regulation, namely Articles 69(6) and 70.

3.2 *Allocation of cohesion funding resources*

3.2.1 Article 69(6) of the present EAFRD Regulation limits the total annual allocations that each Member State may receive from funds for promoting cohesion (including EAFRD resources) to a maximum of 4 % of its GDP. Point 40 of the Council decision on the Financial Perspective 2007-2013 limits the total annual allocation of resources from funds promoting cohesion to between 3.2398 % and 3.7893 % of GDP, based on average per capita GNP.

3.3 *Rules for calculating the allocation of resources from cohesion funding*

3.3.1 The Council decision on the Financial Perspective 2007-2013 includes further technical rules. The upper threshold for transfers is to be reduced by 0.09 percentage points of GDP for every increase in average per capita GNP of five percentage points compared with the EU average in 2001-2003.

3.3.2 A review has been scheduled for 2010. If this reveals that a Member State's cumulated GDP for the years 2007-2009 has diverged by more than 5 % from the estimated GDP, including as a consequence of exchange rate changes, the amounts allocated for that period to that Member State will be adjusted accordingly. The total net effect, whether positive or negative, of these adjustments may not exceed EUR 3 billion.

3.3.3 Rules for correctly calculating the value of the Polish zloty are also set out.

3.4 *Portugal's partial exemption from co-financing obligations*

3.4.1 Article 70 of the EAFRD Regulation stipulates that EAFRD resources are only supplementary and that (varying degrees of) national co-financing is mandatory. The financial agreement of December 2005, however, grants Portugal a sum of EUR 320 million for rural development which does not need to be co-financed (point 63). According to the Commission's proposal, this agreement is to be incorporated into Article 70 of the EAFRD Regulation. Article 70(4) includes an exemption clause for outermost regions and the smaller Aegean islands which permits EAFRD funding of up to 85 %. The same paragraph will now also enshrine the exemption clause removing Portugal's obligation to co-finance an EAFRD allocation of EUR 320 million.

4. General comments

4.1 *Legal bases must be consistent*

4.1.1 The EESC stresses the unquestionable need for legal bases to be compatible. The Commission proposal to amend Regulation (EC) No 1698/2005 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD) is a logical consequence of the Council decision on the Financial Perspective 2007-2013. The formulations in the Commission proposal reflect the Council decisions of December 2005 and are incorporated coherently into the structure of the EAFRD Regulation.

4.2 *Opportunity to comment on the substance of the Council decision on the Financial Perspective*

4.2.1 The European Parliament, the European Commission, the Committee of the Regions and the EESC now have the opportunity to comment on those substantive elements of the Council decision on the Financial Perspective which are not already part of the interinstitutional agreement.

4.3 *Reinforcing the EU's cohesion policy*

4.3.1 The EESC has always been committed to the cohesion goals, which aim to strengthen economic and social cohesion in the EU and to narrow the gaps in development between regions. The premise of the convergence goal, an important element of cohesion policy, is that improving conditions and

factors conducive to growth for the least developed Member States and regions will bring them closer to the EU average.

4.3.2 The EESC points out that cohesion policy is implemented via funds (European Regional Development Fund (ERDF), European Social Fund (ESF) and Cohesion Fund) and that access to these depends on the economic strength and situation of the region. Regions with a regional GDP below 75 % of the EU average are eligible for support under the convergence goal, while all other regions have access to assistance under the regional competitiveness and employment goals. There is a total of 846 convergence regions in 18 out of the 25 EU Member States. These include nine out of the ten new Member States (Cyprus being the exception) and regions in Germany, Spain, France, the United Kingdom, Portugal, Belgium, Austria, Greece and Italy.

4.3.3 The EESC welcomes the rules which take into account the differing economic strength of Member States when calculating the ceiling for allocating cohesion funding. A sliding scale, in contrast to the blanket 4 % ceiling, respects the notion of convergence and of a system of assistance which allows the least developed Member States to receive relatively more funding. It also validates a ceiling based on the economic strength of a country.

4.4 *Promotion of rural development must be appropriate in level and organisation*

4.4.1 In the view of the EESC, the 'second pillar' of the Common Agricultural Policy — promoting rural development — is an extremely important policy whose significance has quite rightly increased in recent years and must continue to increase. This is manifest in the pronouncements of the Commission and the Member States, even though the resources provided for the 'second pillar' in the funding period 2007-2013 in no way reflect such political declarations of intent. The EESC is extremely critical in this regard and will address this issue at an appropriate time.

4.4.2 During the negotiations on the Financial Perspective 2007-2013, several states managed to secure special terms regarding the level and organisation of rural development funding. Of the total EUR 69.75 billion available for rural development, EUR 4.07 billion were set aside for eight countries. Austria received EUR 1.35 billion, Sweden EUR 820 million, Ireland and Italy EUR 500 million each, Finland EUR 460 million, Portugal EUR 320 million, France EUR 100 million and Luxembourg EUR 20 million. The EESC acknowledges that, although this impromptu allocation of resources is a political concession, it also shows the commitment to, and significance of, rural development in these countries. Quite apart from the principle involved in making such an exceptional and large allocation of resources during negotiations, the EESC also sees the danger of rural development policy fragmenting as a result of different funding allocations and different degrees of commitment by the individual Member States.

4.4.3 Aware of Portugal's difficult position, outlined in the Commission's Report on the situation in Portuguese agriculture (COM/2003/0359 final) of 19 June 2003, the EESC accepts the Council's agreement to exempt that country from the obligation to co-finance funding of EUR 320 million. The principle of co-

financing for promoting rural development is a correct one, but not a dogma. The EESC will continue, as it does now, to critically examine the level and structure of co-financing on a case-by-case basis.

Brussels, 13 December 2006.

The President
of the European Economic and Social Committee
Dimitris DIMITRIADIS

Opinion of the European Economic and Social Committee on the Proposal for a Regulation of the European Parliament and of the Council amending Regulation (EC) No .../... on nutrition and health claims made on foods

COM(2006) 607 final — 2006/0195 COD

(2006/C 325/09)

On 10 November 2006 the Council decided to consult the European Economic and Social Committee, under Article 95 of the Treaty establishing the European Community, on the

On 25 October 2006 the Committee Bureau instructed the Section for Agriculture, Rural Development and the Environment to prepare the Committee's work on the subject.

Given the urgent nature of the work, the European Economic and Social Committee appointed **Mr Gkofas** as rapporteur-general at its 431st plenary session, held on 13 and 14 December 2006 (meeting of 13 December), and adopted the following opinion by 110 votes to 3 with 16 abstentions.

1. Conclusions and Recommendations

1.1 The EESC welcomes the Commission's proposal to amend Article 25 of the Regulation on claims, which signals the Committee procedure to be followed to adopt measures necessary for the implementation of the Regulation.

1.2 The EESC agrees with the inclusion of paragraphs (3) and (4) to Article 25 as they provide for the application of a new regulatory procedure with scrutiny when adopting measures of general scope designed to amend non-essential elements of the Regulation on claims. This change is necessary to make the procedure they provide for more complete.

1.3 The EESC endorses the application of the new regulatory procedure with scrutiny to relevant articles of the Regulation on claims, as the new procedure is more clear and effective than that provided for previously.

1.4 The EESC believes that the Regulation on claims, which covers nutrition and health claims used in the labelling, presentation and advertising of foods, should be implemented without

delay. In this context, the EESC stresses the importance of ensuring that the application of the new regulatory procedure to certain articles of the Regulation on claims does not result in too lengthy procedures which would hamper the effective and timely implementation of the Regulation.

1.5 The EESC notes and considers that in the future the Commission should address the question of simplifying the regulatory framework with regard to food safety and consumer protection. The EESC welcomes the Commission's intention to review and update existing EU food labelling legislation⁽¹⁾ and emphasises the importance of simplifying and clarifying existing provisions on labelling in the context of better regulation.

1.6 The EESC welcomes the introduction of any European regulatory framework that both serves the interests of consumer protection and promotes harmonisation and effective functioning of the internal market.

⁽¹⁾ General food labelling requirements are laid down in horizontal legislation (Directive 2000/13/EC and related texts) of which most of the provisions date back to 1978. Vertical legislation includes other specific provisions.

2. Introduction

2.1 The Council has called on the EESC to draw up an opinion on a proposal to amend Regulation (EC) No.../...of the European Parliament and of the Council on nutrition and health claims made on foods (Regulation on claims ^(?)), in order to align it with the new Council Decision (EC) 2006/512, amending Decision 1999/468/EC (Decision on comitology) laying down the procedures for the exercise of implementing powers conferred on the Commission. Council Decision (EC) 2006/512 introduced a new Committee procedure named *regulatory procedure with scrutiny* to Decision 1999/468/EC as the latter provided for only a limited number of procedures for the exercise of such powers.

2.2 The Regulation on claims, which covers nutrition and health claims used in the labelling, presentation and advertising of foods, refers to the regulatory procedure when implementing powers are conferred on the Commission, and therefore has to be adapted, when necessary, to the new Committee regulatory with scrutiny procedure, as established under Council Decision 1999/468/EC.

3. General comments

3.1 The EESC welcomes, in principle, the Commission's proposal to apply the *regulatory procedure with scrutiny* when adopting measures of general scope designed to amend non-essential elements of the Regulation on claims.

3.2 The EESC believes that the Regulation on claims is being adopted at a time when awareness of nutrition and health problems is creating a need for precise and substantial information for consumers. The Committee points out that the success of the Regulation on claims depends on ensuring a high level of consumer protection and at the same time improving consumer choice, so that domestic or imported products are safe and have accurate and clear labelling.

3.3 The Regulation on claims supplements the general provisions of Directive 2000/13/EC, which bans the use of information that might mislead consumers or attribute medicinal properties, and lays down specific provisions on the use of nutrition and health claims. The Committee considers that this regulation is particularly relevant today and should be implemented without delay given the increasing attention being paid generally to the link between a healthy lifestyle and diet and the need for information that helps consumers make the 'healthy choice'.

3.4 The EESC believes that in addition to the regulatory framework, the Commission should promote information

campaigns on health and nutrition under its public health programme.

4. Specific comments

4.1 The EESC considers that the modifications to Article 25 of the Regulation on claims, which describes the Committee procedure to be followed to adopt measures of general scope which amend non-essential elements of a basic instrument adopted using the codecision procedure, are essential.

4.2 The EESC believes that the new paragraphs in Article 25 provide more substantial and detailed reference to the relevant articles in Council Decision 1999/468/EC and make the procedure effective, strengthening the implementing powers of the Regulatory Committee. In particular, the new paragraphs define more clearly the powers conferred onto the Commission and underline the role of the European Parliament and Council in scrutinising measures before they are adopted.

4.3 The EESC agrees with the inclusion of paragraphs (3) and (4) to Article 25 that introduce a new category of procedures for the exercise of implementing powers by the Commission. This allows the Parliament or Council to oppose the adoption of draft measures where these exceed the Commission's implementing powers or fail to respect the principles of subsidiarity or proportionality.

4.4 The Committee agrees with the possibility of curtailing or extending the time-limits for the procedure when justified and in exceptional cases (as stated in Article 5(a) and (b) of Decision 1999/468/EC as amended by Decision 2006/512/EC).

4.5 The EESC endorses the amendment of the Regulation on claims in order to apply the new *regulatory procedure with scrutiny* to articles of this Regulation that require measures which fall within the scope of Article 5 (Regulatory Procedure) of the Decision on comitology (Council Decision 1999/468/EC).

4.5.1 The Committee considers this change to be positive and effective, as it applies the new regulatory procedure with scrutiny when determining the general conditions for the use of nutrition and health claims.

4.5.2 The Committee believes that this change will contribute to ensuring that a high level of consumer protection is maintained when implementing the Regulation on claims, in particular when establishing specific nutrient profiles which food or certain categories of food must comply with in order to bear nutrition or health claims.

^(?) The initial legislative document (COM(2003) 424 final) is currently pending Council's final decision.

4.5.3 The EESC emphasises the importance of consulting consumer groups and food business operators and their representatives when establishing or updating the conditions for use of nutrition and health claims and when amending the Annex that lists permitted claims.

4.6 The EESC recommends that in future the Commission should consider whether to simplify the procedure for accepting and approving the scientific basis of a nutrition claim relating to health issues ⁽³⁾. Moreover, the EESC believes that there is a need

to simplify the regulatory framework with regard to food safety and consumer protection.

4.7 The EESC emphasises that the Regulation on claims must be pragmatic, and is concerned that certain provisions relating to the documentation of claims may be unnecessarily complex. The Committee believes that it is important to balance the needs of consumers for more scientific and clear information and food manufacturers' scope to develop and market foodstuffs exhibiting properties that are beneficial and of relevance to consumers.

Brussels, 13 December 2006.

The President
of the European Economic and Social Committee
Dimitris DIMITRIADIS

⁽³⁾ Ref: OJ C 110 of 30.4.04 p. 18-21.

Opinion of the European Economic and Social Committee on the Proposal for a Regulation of the European Parliament and of the Council amending Regulation EC No .../... on the addition of vitamins and minerals and of certain other substances to foods

COM(2006) 606 final — 2006/0193 (COD)

(2006/C 325/10)

On 15 November 2006, the Council decided to consult the Economic and Social Committee, under Article 95 of the Treaty establishing the European Community, on the abovementioned proposal.

On 25 October 2006, the Bureau of the European Economic and Social Committee instructed the Section for Agriculture, Rural Development and the Environment to undertake the preparatory work.

In view of the urgency of the matter, at its 431st plenary session held on 13 and 14 December 2006 (meeting of 13 December), the European Economic and Social Committee appointed Mr Kapuvári as its rapporteur-general and adopted the following opinion by 107 votes in favour with one abstention.

1. Conclusions

1.1 The EESC welcomes the inclusion in the Regulation of the regulatory procedure with scrutiny. The EESC concurs with the European Commission that it is important to make Community law simpler and more transparent.

2. Introduction

2.1 The present proposal aims to introduce in the Regulation (EC) No .../... of the European Parliament and the Council on the addition of vitamins and minerals and of certain other substances to foods, reference to the new Regulatory procedure with scrutiny in all cases where the Commission is empowered to adopt quasi-legislative measures within the meaning of Article 2 of Decision 1999/468/EC laying down the procedures for the exercise of implementing powers conferred to the Commission, as amended by Council Decision 2006/512/EC.

2.2 The amendment is needed because of the new comitology procedure, i.e. the 'regulatory procedure with scrutiny'.

2.3 The proposal is limited to the amendments strictly necessary to align the Regulation to the Comitology Decision.

3. General comments

3.1 The EESC welcomes the inclusion in the Regulation of the regulatory procedure with scrutiny. The EESC concurs with the European Commission that it is important to make Community law simpler and more transparent.

3.2 The regulatory procedure with scrutiny makes for more effective amendment of non-essential elements of the basic instrument, inter alia, by deleting some of those elements or by adding new non-essential elements.

3.3 The European Economic and Social Committee adopted an opinion on the addition of vitamins and minerals and of certain other substances to foods in March 2004, and given that the current proposal for an amendment is essentially an amalgamation exercise, no new opinion on the matter is necessary.

3.4 The new rules on the regulatory procedure with scrutiny have been in force since 23 July 2006.

3.5 It has been ensured that the new Regulation contains no changes of substance and serves only the purpose of presenting Community law in a clear and transparent way. The EESC strongly endorses this objective and in view of this, welcomes the proposal.

Brussels, 13 December 2006.

The President
of the European Economic and Social Committee
Dimitris DIMITRIADIS

Opinion of the European Economic and Social Committee on the Proposal for a Council Regulation amending Regulations (EEC) No 404/93, (EC) No 1782/2003 and (EC) No 247/2006 as regards the banana sector

COM(2006) 489 final — 2006/0173 (CNS)

(2006/C 325/11)

On 26 October 2006, the European Economic and Social Committee, acting under Rule 29(2) of its Rules of Procedure, decided to draw up an own-initiative opinion on the abovementioned proposal.

The Section for Agriculture, Rural Development and the Environment, which was responsible for preparing the Committee's work on the subject, adopted its opinion on 8 November 2006. The rapporteur was Mr Espuny Moyano.

At its 431st plenary session, held on 13 and 14 December 2006 (meeting of 13 December), the European Economic and Social Committee adopted the following opinion by 134 votes in favour with six abstentions.

1. Conclusions and recommendations

1.1 The Committee recognises the need to reform the current aid scheme for Community banana producers, and therefore welcomes the Commission's proposal. However, it considers that it is too early to assess the impact on producer incomes of the new flat tariff regime that came into force on 1 January 2006, and of which the proposal fails to take due account.

1.2 The Committee proposes the following amendments to the fifth recital of the draft regulation:

'Title III of Council Regulation (EC) No 247/2006 of 30 January 2006 laying down specific measures for agriculture in the outermost regions of the Union provides for the establishment of Community support programmes for the outermost regions containing specific measures to assist local lines of agricultural production. This Regulation provides for a review not later than 31 December 2009. ~~If there are substantial changes to the economic conditions affecting livelihoods in the outermost regions, the Commission shall submit the report sooner.~~ However, in order to take account of the highly particular situation of Community banana producers, the Commission shall submit a specific report before this date if these producers' incomes fall as a result of the amendments to the import regime. This instrument seems best adapted to support banana production in each of the regions concerned by providing for flexibility and decentralisation of mechanisms to support banana production. The possibility of including banana support in those support programmes should reinforce the coherence of the strategies for support of agricultural production in these regions.'

1.3 The Committee proposes that, in Article 3(2), a new paragraph 3.1 to Article 28 of Regulation (EC) No 247/2006 be inserted:

'In the event of a worsening of the economic conditions of banana producers as a result of an amendment to the

import regime, the Commission shall present a specific report before 31 December 2009, accompanied where appropriate by the necessary proposals.'

1.4 The Committee proposes an amendment to Article 30 of Regulation 247/2006, inserting the following paragraph:

'The European Commission may authorise the Member States to include a dedicated advance payment scheme for banana producers in their support programmes.'

2. General comments

2.1 The banana sector is a highly specific one, which is why it has its own CMO. Its main particularities are: most Community production takes place in outermost regions which, as recognised by Article 299(2) of the Treaty, are affected by a series of specific difficulties; their production supplies only 16 % of the Community market; and the world banana market is virtually a oligopoly, since marketing is controlled by five major companies.

2.2 This proposal by the European Commission, which was adopted after a lengthy process of external and internal consultation, entails a radical change in the current support scheme for Community banana production. The present system of internal support based on the principle of compensatory payments, with aid varying each year depending on the level of banana prices, is to be replaced by aid divided into national envelopes, to be integrated into the relevant Posei programme for the outermost regions, and into the single payment system for other production areas.

2.3 The proposal entails reforming three Community regulations:

2.3.1 Regulation 404/93, the banana CMO. Title II (producers' organisations and concentration mechanisms), Title III (compensatory aid scheme, operational programmes, grubbing-up premium) and a number of articles from Titles IV and V, rendered obsolete by the replacement of the tariff quota scheme by a tariff-only one, are deleted, and some articles of Title V are amended: the Management Committee for Bananas is abolished (references to it are to be construed as being to the Management Committee for Fresh Fruit and Vegetables), and the provision requiring an annual report under Regulation 404/93 is removed.

2.3.2 Regulation 1782/2003, the 2003 CAP reform. The relevant articles are amended in order to bring bananas not produced in outermost regions under the single payments scheme. To this end, the national ceilings are amended for Greece (+ EUR 1.1 million), Portugal (+ EUR 0.1 million) and Cyprus (+ EUR 3.4 million). These Member States will establish the reference amounts and the number of eligible hectares to receive single payments based on a representative period between 2000 and 2005.

2.3.3 Regulation 247/2006, Posei agricultural products. The Posei budgets are increased by EUR 278.8 million: Poseican EUR 141.1 million, Poseidom EUR 129.1 million and Poseima EUR 8.6 million.

2.4 The Committee considers that the Commission's proposal involves a certain abandonment of its responsibility to the Community banana production sector, since in practice it empties the banana CMO of its content, transferring financial support for this product to the general budget for the Posei programmes, with no specific chapter for bananas.

2.5 The Committee welcomes the European Commission's proposal for a system of fixed national budget envelopes, but is concerned that the ensuing overall budget will be insufficient in the event of a major fall in Community prices as a consequence of the greater market liberalisation brought about by the new import regime, and of likely market trends following the current international trade negotiations.

3. Specific comments

3.1 The Commission should find an alternative means of maintaining the Community framework of banana producer organisations, since European banana production is highly fragmented. It consists mostly of small producers who have to sell their produce on a highly competitive market, meaning that major concentration of supply is necessary. The Committee believes that this Community framework of producer organisations could be maintained by retaining a number of the provisions of Title II of Regulation (EC) No 404/93, specifically Articles 5, 8 and 9.

3.2 Bananas are a highly intensive crop, requiring year-round maintenance. This entails constant expenditure, principally on account of the intensive labour involved and use of irrigation. This is why the present scheme established an advance payment system, which should be retained.

3.3 The Commission's proposal should be more specific concerning the content of the report to serve as the basis for proper measures in the event of loss of income on the part of producers under the impact of the new import regime.

Brussels, 13 December 2006.

The President
of the European Economic and Social Committee
Dimitris DIMITRIADIS

Opinion of the European Economic and Social Committee on the Proposal for a Regulation of the European Parliament and of the Council amending Council Regulation (EEC) No 1408/71 on the application of social security schemes to employed persons, to self-employed persons and to members of their families moving within the Community and Council Regulation (EEC) No 574/72 laying down the procedure for implementing Regulation (EEC) No 1408/71

COM(2005) 676 final — 2005/0258 (COD)

(2006/C 325/12)

On 14 February 2006, the Council decided to consult the European Economic and Social Committee, under Article 262 of the Treaty establishing the European Community, on the abovementioned proposal.

The Section for Employment, Social Affairs and Citizenship, which was responsible for preparing the Committee's work on the subject, adopted its opinion on 7 November 2006. The rapporteur was Mr Rodríguez García-Caro.

At its 431st plenary session, held on 13 and 14 December 2006 (meeting of 13 December), the European Economic and Social Committee adopted the following opinion with 140 votes in favour, *nem. con.* and two abstentions.

1. Conclusions

1.1 The European Economic and Social Committee welcomes the proposal to amend Regulation No 1408/71 and hopes that this will be one of the last amendments (if not the last) on which it must issue an opinion. The result would be that Regulation No 883/2004 would enter fully into force, as the European Parliament and the Council would have approved the new Implementing Regulation which is due to replace Regulation No 574/72.

1.2 The European Economic and Social Committee therefore calls on the Member States and the Parliament to streamline the procedure for the new Regulation, in order to make it more efficient than the adoption procedure for Regulation No 883/2004. This would be the greatest contribution that the EU institutions could make during the European Year of Workers' Mobility.

2. Introduction

2.1 Since their entry into force, Regulations 1408/71 and 574/72 on the application of social security schemes to employed persons, to self-employed persons and to members of their families moving within the Community have been successively amended to take account of legislative changes in Member States and the various rulings on social security by the Court of Justice.

2.2 These amendments ensure that the coordination of social security schemes at EU level is up to date, so that European citizens moving within the EU's borders do not see their social security rights infringed when exercising the fundamental EU right of freedom of movement and residence.

2.3 The most substantial change to the coordination of social security schemes in the EU Member States was made by Regulation 883/2004 ⁽¹⁾ of the European Parliament and of the Council. This Regulation, replacing Regulation No 1408/71, has not yet been implemented, pending adoption of the regulation which is to replace the current Regulation No 574/72. The legislative procedure is already under way for the proposal for a Regulation on the rules for implementing Regulation No 883/2004 ⁽²⁾, on which the EESC recently adopted an opinion ⁽³⁾.

2.4 The EESC delivered an opinion ⁽⁴⁾ on the proposal for a Regulation on the coordination of social security schemes.

3. Content of the proposal

3.1 The proposal submitted for the EESC's consideration aims to update the annexes of Regulation No 1408/71 in order to reflect the changes that various countries have made to their social security legislation, and thus to make it easier to implement EU legislation for the coordination of social security schemes.

3.2 On this occasion, and in the text proposed by the Commission, no amendment to Regulation No 574/72 is proposed.

3.3 In order to simplify the working document, the proposed amendments will be described in the Specific Comments section, owing to their diversity.

⁽¹⁾ OJ L 166, 30.4.2004.

⁽²⁾ COM (2006) 16 final.

⁽³⁾ Cf. EESC Opinion on the Proposal for a Regulation of the European Parliament and of the Council laying down the procedure for implementing Regulation (EC) No 883/2004 on the coordination of social security systems (Rapporteur: Mr Greif), CESE 1371/2006.

⁽⁴⁾ OJ C 75, 15.02.00. Rapporteur: Mr Rodríguez García-Caro.

4. General comments

4.1 Overall, the EESC welcomes the proposal, as the changes are the result of the Member States' wish to legislate on the matter. Any change to the coordination of social security schemes in the EU will always be well received if it benefits EU citizens and simplifies and improves their relations with the various authorities responsible for upholding their rights.

4.2 Although the Implementing regulation for Regulation No 883/2004 is in the process of being approved, the EESC believes that the general comments that it made in its opinion on other partial amendments to Regulations 1408/71 and 574/72 (adopted by the EESC at its plenary session on 28 and 29 September 2005) ⁽³⁾ are still relevant and should be taken into consideration, as they remain perfectly valid.

4.3 The proposed amendment under consideration is entitled *Proposal for a Regulation of the European Parliament and of the Council amending Council Regulation (EEC) No 1408/71 on the application of social security schemes to employed persons, to self-employed persons and to members of their families moving within the Community and Council Regulation (EEC) No 574/72 laying down the procedure for implementing Regulation (EEC) No 1408/71*.

4.4 Article 1 of the proposal explains that various annexes of Regulation 1408/71 are amended, but no reference is made to Regulation No 574/72. The EESC therefore proposes that the title of the proposal be brought into line with its content and the reference to Regulation No 574/72 removed.

5. Specific comments

5.1 Article 1 of the proposal amends annexes I, IIa, III, IV and VI of the Regulation.

5.2 In order to take account of the changes to the laws on social security and contributions in Sweden, amendments are made to Annex I, Part I, which defines the terms 'employed persons' and 'self-employed persons'.

5.3 Owing to the changes brought by the new law on sickness insurance in the Netherlands, amendments are made to Annex I, Part II, referring to the personal scope of the regulation as regards the meaning of the term 'member of the family', which in this case includes spouses, registered partners and children under 18 years of age.

5.4 As a result of the various legislative changes made to the laws on social pensions in Lithuania and Slovakia, amendments are made to Annex IIa on special non-contributory benefits. In the case of Lithuania, the annex is modified to take account of changes in national legislation, while in the case of Slovakia, the legislation is adjusted and the allowance is only maintained for those previously entitled to it.

5.5 Amendments are made to Annex III, Part A, concerning provisions for social security agreements that continue to apply, removing the reference made in point 187 on the General Convention between Italy and the Netherlands.

5.6 Amendments are made to Annex IV, Part A on the laws referred to in Article 37(1) of the Regulation under which the amount of invalidity benefits is independent of the length of periods of insurance. The content of the Slovak Republic section in Part A is amended, as a result of inclusion in national legislation.

5.7 Due to changes in Spanish legislation, amendments are made to Annex IV, Part B, which refers to special schemes for self-employed persons to which special provisions on the aggregation of insurance periods completed in another Member State apply.

5.8 Annex IV, Part C is amended in relation to Slovakia and Sweden. This annex mentions the cases in which a double calculation of the benefit can be waived due to the results being the same. As regards Slovakia, the amendment mentions the survivor's pension; as regards Sweden, it mentions the calculation of the minimum guaranteed pension depending on periods of residence in the country.

5.9 Due to changes to the law in Sweden, updates are made to Annex IV, Part D, regarding benefits and agreements on the accumulation of benefits of the same type to which persons may be entitled under legislation of two or more States. The bilateral agreement between Finland and Luxembourg is also added.

5.10 Amendments are also made to Annex VI, which sets out particular methods for applying the legislation of certain Member States. Changes are made to the points concerning the following Member States:

- Estonia, adding rules for calculating parental benefit;
- the Netherlands, taking account of the entry into force of the new health care reform implemented this year;
- Finland, reflecting the reform of the Finnish employment pension legislation;
- Sweden, reflecting the new legislation regarding coverage under Swedish social security legislation and pension reform.

⁽³⁾ OJ C 24, 31.1.2006. Rapporteur: Mr Rodríguez García-Caro.

5.11 The changes made to the various annexes to Regulation No 1408/71 derive essentially from the legislative changes implemented in various Member States. Any change that brings improvements to the benefits received by EU citizens will be welcomed by the European Economic and Social Committee.

5.12 However, the EESC points out that having a multitude of annexes and specific cases in Regulations 1408/71 and 883/2004 is not the best way to simplify the provisions for coordinating social security schemes. Improvement and simplification were the objectives for Regulation No 883/2004, and the Committee believes that work should continue along these lines.

5.13 The Commission presented a proposal for a Regulation amending Regulation No 883/2004 in order to set down the content of Annex XI ⁽⁶⁾. This annex corresponds to Annex VI of Regulation No 1408/71. The EESC notes that there is a differ-

ence between the two annexes, concerning Section 'W. FINLAND' mentioned in point 4.10 of this opinion.

5.14 In point 6.c).1 of the annex to the proposal for a Regulation amending Regulation No 1408/71, the following is stated: '... where an individual has pension insurance periods based on employment in another Member State ...'. Meanwhile, Section 'W. FINLAND' of Annex XI to the proposal for a Regulation amending Regulation No 883/2004 states that: '... where an individual has pension insurance periods based on activity as an employed or self-employed person in another Member State ...'.

5.15 The EESC believes that, as the same situation is being dealt with, the wording should be the same and the two texts harmonised.

Brussels, 13 December 2006.

The President
of the European Economic and Social Committee
Dimitris DIMITRIADIS

⁽⁶⁾ COM(2006) 7 final, SOC/238. EESC opinion in progress. Rapporteur: Mr Greif.

Opinion of the European Economic and Social Committee on Voluntary activity: its role in European society and its impact

(2006/C 325/13)

On 6 April 2006, the Commission decided to consult the European Economic and Social Committee, under Article 262 of the Treaty establishing the European Community, on *Voluntary activity: its role in European society and its impact*

The Section for Employment, Social Affairs and Citizenship, which was responsible for preparing the Committee's work on the subject, adopted its opinion on 7 November 2006. The rapporteur was Ms Koller, and the co-rapporteur was Ms Gräfin zu Eulenburg.

At its 431st plenary session, held on 13 and 14 December 2006 (meeting of 13 December 2006), the European Economic and Social Committee adopted the following opinion by 127 votes to 9 with 17 abstentions.

1. Conclusions and recommendations

1.1 The EESC urges the Commission to announce a Year of Volunteers, and to publish a White Paper on voluntary activity and active citizenship in Europe at the earliest opportunity. This could underline the relationship between these two phenomena and stress their scale and importance. As most voluntary activity takes place at local level, this White Paper should contribute to a strategy for strengthening the European dimension of voluntary activity, and promoting active European citizenship and the role of identification with Europe in the European integration process.

1.2 The governments of the Member States should be encouraged to frame national policies on voluntary activity and strategies ensuring that voluntary activity is encouraged and recognised. These national policies should also cover the role of infrastructure in facilitating voluntary activity. The EU can provide a framework and encourage greater exchange of best practice between Member States.

1.3 In all the Member States a legal framework must be drawn up to guarantee the right to carry out voluntary activity independently of an individual's legal or social status. There should be equal opportunities for all individuals engaging in voluntary activity, including people with disabilities. In some Member States the legal environment still impedes the development of voluntary activity and, as a result, makes it difficult to enlist stronger social support. Sometimes its development is restricted or even prevented by legal provisions such as prohibitions on activity. These restrictions should be examined and voluntary activity promoted by means of a legal framework which makes provision for insurance and the reimbursement of expenses.

1.4 In the EESC's view, apart from governments, other stakeholders such as parliaments, regional and local bodies, and civil society organisations should recognise the importance of voluntary activity and play an active role in promoting it, thus emphasising the role of voluntary activity and raising its social prestige.

In addition, the EESC would emphatically draw the Commission's attention to the decisive role of civil society organisations in organising voluntary activity.

1.5 At the same time, in the interests of preparing individuals for voluntary activity, the EESC feels that it would be useful to highlight the relationship between civil society and schools. In primary education, more attention must be paid to educational activities aimed at developing social awareness and involvement in solving social problems of general interest. For example, from the age of 15, as part of a 'social and environmental year', practical activities could be provided as an option for young people, to encourage them to carry out important and useful voluntary activities. Particular support should be given to NGOs enabling children to undertake their first voluntary activities.

1.6 In its efforts to promote the recognition of informal and non-formal learning, e.g. through the Europass and the recommendation on key competences, the EU should put particular emphasis on the recognition of competences acquired through voluntary activities. The implementation of Europass-Youth would help to enhance recognition of voluntary activities of young people.

1.7 The EESC therefore recommends that all the Member States and the EU itself design a policy on voluntary activity setting out a strategy and specific programmes to promote voluntary activity, with proposals for targeted support and for public awareness-raising, promoting partnership between civil society and business and promoting public recognition of the activities performed by volunteers. This could include a suitable legal framework to support voluntary activity. The EU can provide a framework and ideas, as well as promoting the exchange of best practice between Member States.

1.8 At European level we need reliable and comparable statistics on the scale, importance and socio-economic value of voluntary activity. This research should be based on a uniform definition of voluntary activity. It should address the needs and motivation of volunteers, as well as the reasons why some people do not wish to become involved in voluntary activity. Ways must be sought at European level of determining the contribution of voluntary activity to the national income and its effects on society. Eurostat could play a coordinating and initiating role here. All the statistical offices of the Member States of the EU should have statistics of this kind available.

1.9 The EESC recommends that EU funding, policies and programmes should do more to promote voluntary activity, and that an adequate infrastructure be put in place throughout Europe to support voluntary action. At present, one source of support for voluntary activity from the European Union comes in the form of the European Voluntary Service Programme (EVS), which has so far sent nearly 40 000 (18-25 year-olds) volunteers to 31 EU Member States and partner countries for periods of between six months and one year. At the same time, voluntary service in developing countries is funded from development aid. The EESC considers these sources insufficient and would like the European Union to adopt a more active, consistent and coherent approach to voluntary activity, making pan-European volunteer programmes available to all population groups rather than being restricted purely to long-term voluntary service by young people.

1.10 The EESC would also welcome a specific recommendation for the promotion of voluntary activity by senior citizens, for example with pilot actions for partnerships and exchange of experiences and which would be among the first initiatives to be launched.

1.11 Moreover, voluntary activity, as a contribution to European projects, should be recognised as equivalent to co-financing. Application forms for European projects must also be made simpler and less bureaucratic, so that voluntary organisations are able to take part in these projects.

1.12 Information needs to be disseminated more widely, as unfortunately it often fails to reach those concerned. All possible channels must be used to achieve this. A special website with information could be set up, accessible from all existing voluntary activity websites with a single mouseclick. European networks of volunteer organisations have an important role to play here. They can ensure that organisations exchange experience and best practice and that the needs and requirements of volunteers on the ground are passed on to the EU institutions. They must be promoted in a targeted way as part of the infrastructure for promoting voluntary activity.

1.13 The European Union can make an important contribution to promoting and ensuring the public recognition of voluntary activity by supporting the United Nations' International Volunteer Day on 5 December and celebrating and honouring voluntary activity on that day. The 2001 International Year of Volunteers showed how important effective government-supported publicity programmes can be. If a European Year of Volunteers was declared at European level, as proposed by the EESC, it would help to ensure support and recognition at European level for numerous local volunteer activities, besides giving volunteers a sense of European identity.

1.14 In order to give fuller recognition to the importance of volunteering for the development of Member States, the EESC recommends adopting a European-level charter establishing the role of voluntary organisations, including their rights and duties. In order to improve the economic situation of voluntary organisations in the Member States, the EESC recommends introducing a legal basis in Community law whereby such organisations would be exempted from VAT. The main purpose of enshrining the role, rights and duties of voluntary organisations in the proposed European charter is to create uniform guidelines for organisations which could be granted special legal status in conjunction with special economic and other rights.

2. Introduction

2.1 Voluntary activity makes an invaluable contribution to society. In Europe more than 100 million volunteers devote their leisure time to a multitude of activities which benefit third parties and serve the common good. The work of civil society organisations, which is often performed exclusively or to a great extent by volunteers, is winning ever greater recognition from companies, government bodies and the public ⁽¹⁾.

2.2 And yet the true value of voluntary activity goes far beyond the provision of services and the satisfaction of social needs. The motivation which underlies it, that is the desire to make a contribution on one's own initiative to the common good and to help shape society, promotes values such as altruism and solidarity and thus forms a counterweight to increasingly widespread isolation and egoism in modern societies.

2.3 Voluntary activity is inextricably linked with active citizenship, which is the cornerstone of democracy at local and European level. People take part in the life of society not only through political participation but also through the specific solution of social problems. By working for society they can translate a desire to help shape society into action. Individuals either sacrifice their leisure time, or engage in voluntary service for others and work for the common good, often at considerable risk to their financial well-being or health. It is this very form of European active citizenship which gives people a strong sense of belonging to society. Voluntary activity can therefore be regarded as one of the best examples of participation and thus an essential component of, or even a precondition for, active citizenship.

2.4 Voluntary activity also promotes personal development: the development of social awareness on the one hand and, on the other hand, the development of key competences and skills, making volunteers more employable and enhancing their active

⁽¹⁾ The EUYOUNG 2003-2005 study, financed by the European Commission, on the social involvement of young people shows, for example, that in all eight participating European countries young people trust civil society organisations more than government bodies.
http://www.sora.at/images/doku/euyoung_finalcomparativereport.pdf.

participation in society. In its various manifestations voluntary activity offers an opportunity for informal ⁽²⁾ and non-formal ⁽³⁾ learning and thus, alongside formal ⁽⁴⁾ learning, plays an essential part in achieving lifelong learning.

2.5 Voluntary activity also makes an essential contribution to our economies' output. This contribution is often overlooked in national statistics, as it does not always involve the exchange of goods of monetary value and because there is no single accepted method for measuring its economic value. Where it is measured, however, the economic value of voluntary activity and its contribution to the economy has proved considerable ⁽⁵⁾. For example, in the United Kingdom the economic value of voluntary activity is estimated at 7.9 % of GDP, with 38 % of total population engaged in voluntary activity. In Ireland and Germany more than 33 % of the population are involved in voluntary activity in one form or another, compared to 18 % in Poland.

2.6 In addition, transnational voluntary service at European and international level can substantially increase solidarity and mutual understanding among peoples, and promotes intercultural dialogue. In this context the EESC welcomes the Commission's intention to extend the European Voluntary Service, making it more visible and more effective.

2.7 Solidarity and a sense of responsibility for others, together with the urge for individuals to feel useful, are essential sources of motivation for voluntary activity. It creates social links, contributes to social cohesion and promotes quality of life and social progress in Europe. It thus encapsulates the values of European integration, as set out in Article 2 of the EC Treaty and Article 2 of the Treaty on European Union. Moreover, voluntary activity is an essential expression of participatory democracy, which is recognised in the European Constitutional Treaty as a component of the democratic life of the EU. Volunteers and voluntary activity are both in the public interest. Voluntary activity should be given due recognition in all the Member States of the European Union.

2.8 The EESC has already touched on the subject of voluntary activity in its opinion on 'Hospice work — an example of voluntary activities in Europe', adopted in 2002 (rapporteur: Ms Gräfin zu Eulenburg).

⁽²⁾ **informal learning:** Learning resulting from daily life activities related to work, family or leisure. It is not structured (in terms of learning objectives, learning time or learning support) and typically does not lead to certification. Informal learning may be intentional but in most cases it is non-intentional (or 'incidental'/random).

⁽³⁾ **non-formal learning:** Learning that is not provided by an education or training institution and typically does not lead to certification. It is, however, structured (in terms of learning objectives, learning time or learning support). Non-formal learning is intentional from the learner's perspective.

⁽⁴⁾ **formal learning:** Learning typically provided by an education or training institution, structured (in terms of learning objectives, learning time or learning support) and leading to certification. Formal learning is intentional from the learner's perspective. Source: COM(2001) 678.

⁽⁵⁾ Based on the 'Facts & Figures Research Project' research document (2004-2006), published by the European Volunteer Centre (CEV) (<http://www.cev.be/facts&figures.htm>)

Voluntary activity has also been mentioned in other contexts in the EESC's work, but no opinions have yet been drawn up specifically on the subject ⁽⁶⁾.

2.9 Within the EU the contribution of voluntary activity is being increasingly recognised in the social, cultural and environmental areas and voluntary organisations are being involved to a greater extent in political and other decision-making processes, for example in the fields of lifelong learning, health and consumer protection, development, trade, etc. The EESC welcomes these initiatives, although it feels that not nearly enough has been done so far.

2.10 The EESC is pleased that voluntary activities by young people have been set as a priority of the policy process launched by the Commission in 2001 and as part of the open method of coordination. On the basis of the progress already achieved in the Youth sector, the Commission is encouraged to take the development of voluntary activities further by addressing horizontal aspects within a holistic approach.

2.11 An international precedent was set by the proclamation of 2001 as the Year of Volunteers by the United Nations, thus helping to focus public opinion on voluntary activity, and providing renewed encouragement for people to volunteer and showing how government can recognise, support and promote it. At the initiative of the UN, 5 December of each year is International Volunteer Day for Economic and Social Development. It would be good if the EU were also to raise public awareness in Europe of this important event.

2.12 However, we feel that all in all both the European Commission and national governments should take a greater interest in voluntary activity. This is one of the reasons why the EESC welcomes Commissioner Wallström's request for the Committee to draw up an opinion on this important subject.

3. The concept of voluntary activity and its characteristics

3.1 In practice and in theory voluntary activity is often defined in different ways, and it is difficult to devise a definition of voluntary activity which covers all its various facets. The various definitions used in the European Union countries have three essential criteria in common:

— Voluntary activity is an act carried out on an individual's own initiative and of his own free will. It cannot in any way be obligatory. This ensures the volunteer's commitment to and identification with the activity.

⁽⁶⁾ The following work by the EESC is relevant to voluntary activity: EESC opinion on *Youth Policy*, rapporteur: Ms van Turnhout (OJ C 28, 3.2.2006, pp. 35-41); EESC opinion on the *Youth in Action Programme 2007-2013*, rapporteur: Mr Rodriguez-Garcia-Caro (OJ C 234, 22.9.2005, pp. 46-51); EESC opinion on *Making European citizenship visible and effective*, rapporteur: Mr Vever (not published in OJ as yet); EESC opinion on the *Active citizenship action programme*, rapporteur: Mr Le Scornet (OJ C 28, 3.2.2006, pp.29-34).

- Voluntary activity is unpaid and is not undertaken for financial gain; expenses incurred by the volunteer may however be reimbursed.
- The aim of voluntary activity is to work for people outside one's own family or for other social groups and thus to be useful to society as a whole (although voluntary activity is undoubtedly of great value for the personal development of the volunteer).

There is some disagreement as to whether only regular activities fall within the definition: does the definition, for example, also include assistance to neighbours or the time banks which have been developing in recent years, or can voluntary activity only take place in a formal, structured way? Nevertheless, fulfilling the above-mentioned three basic criteria is an essential condition for any activity to qualify as voluntary, whether it takes the form of voluntary activity for the local community or organised voluntary service. In general it can be said that a broad definition is most appropriate to the various manifestations of voluntary activity.

3.2 The purpose of voluntary activity is not to replace paid work — indeed, it is highly desirable that paid work should not be substitutable by voluntary activity. The special value of voluntary activity derives from its contribution to shaping society. It is not merely the provision of a social service, nor is it intended to take over the basic tasks of government. The essential added value of voluntary activity consists of:

- the creation of social and societal ties; stronger identification with society and feeling of solidarity by all those involved in voluntary activity;
- participation by citizens in actively shaping communities.

3.3 Voluntary activity takes on diverse forms; this very diversity makes it difficult to categorise. The most diverse social groups are involved in voluntary activity, although the scale of their involvement varies from one EU Member State to another: the proportion of volunteers active in each area and their profile (age, background, level of education etc.) varies greatly from one country to another.

3.4 In addition to formal activities carried out under the auspices of a specific organisation there is also informal work and also types of voluntary activity which remain hidden (e.g. in many cases voluntary activity by migrants).

3.4.1 The diverse forms of voluntary activity include, inter alia:

- participation in public life and civic commitment;
- involvement in matters of public interest, organisation of awareness-raising campaigns, legal advice and consumer protection;

- charity work, assistance to others, and to the elderly and disabled in particular, in the neighbourhood, or in the area of development aid;
- work for the good of the immediate community, for example in special situations such as the aftermath of environmental disasters, etc.;
- mutual help and self-help groups;
- involvement in religious associations;
- Citizens in various 'honorary' posts who are involved in political and scientific activities, or in managing or operating smaller associations or sports clubs.

3.4.2 Voluntary activities can also be categorised according to field of activity, such as sport, culture, social work, health, education, youth, environmental protection, disaster relief, politics, consumer protection, development cooperation, etc.

3.5 Voluntary service is a special form of voluntary activity. It is limited in time from the outset and is often the volunteer's sole activity, in contrast to most voluntary activity which is additional to other activities such as training or employment. There is usually a mutually agreed set of rules and responsibilities under volunteer service, often in the form of an agreement between the partners of the project, including the volunteer, unlike voluntary work carried out continuously in the volunteer's spare time. There are different forms of voluntary service in terms of:

Voluntary activities are all kinds of voluntary engagement. They are characterised by the following aspects: open to all, unpaid, undertaken by own free will, educational (non-formal learning aspect) and added social value.

Voluntary service is part of voluntary activities and is characterised by the following additional aspects: fixed period; clear objectives, contents, tasks, structure and framework; appropriate support and legal and social protection.

Civic service is a voluntary service managed by the State- or on behalf of the State e.g. in the social field or in civil protection.

Civilian service is an alternative to compulsory military service in some countries, but not voluntary (?).

3.6 A clear distinction can be made between two kinds of volunteering: (i) one which, as defined by the UN and the ILO, involves working for a not-for-profit organisation for pay which is often below the going rate and (ii) the other which is unpaid but during which expenses are reimbursed. Moves to clarify the legal status of these activities should take account of this distinction in order to simplify the situation for volunteers as well as for students on compulsory placement at NGOs.

(?) COM(2004) 337 final.

Voluntary work as defined by the ILO and UN agencies is work carried out in not-for-profit organisations, i.e. charitable associations or humanitarian or non-profit-making non-governmental organisations by 'voluntary' workers who usually receive **remuneration in the form of a salary**. They are salaried employees, the voluntary nature of their work being defined by the fact that their wages are often below market rate; this is what defines and constitutes its voluntary element and nature. For example, a logistician working for an emergency humanitarian organisation, or a lawyer working for a refugees' rights association will be a salaried employee, but with a different (i.e. lower) salary than he could expect in the world of business (e.g. transport or legal consultancies).

Calls are often made for the European Voluntary Service programme (EVS) to be expanded and enhanced. This is a service that puts young people at the disposal of associations or NGOs in return for some form of compensation and expenses (board and lodging) and includes an allowance, as with traineeships. It provides a way of making young people available, as part of their higher education courses (a traineeship abroad is required for almost all courses with an international or European dimension) to these associations and NGOs.

Involving young people in humanitarian or general interest projects by paying a fixed allowance is a source of mutual enrichment. While it is legitimate to clarify the legal status of the allowance, there must be no confusing charity and voluntary work.

3.7 This opinion does not discuss paid voluntary work within the meaning of the ILO and UN definition, such as activity by Médecins Sans Frontières.

3.8 In recent years there has been further diversification of the forms of voluntary activity and the reasons for undertaking it, arising from new social values and developments. The interest in and demand for voluntary activity is growing, but improvements in financial and budgetary resources, infrastructure and recognition have not kept pace with this growth.

3.8.1 For volunteers the benefits of voluntary activity include meaningful use of leisure time, developing social skills and making contacts, as well as acquiring and exchanging experience. The acquisition of knowledge or of a better understanding of one's own character and abilities are becoming increasingly characteristic of volunteer activity by young people, not least in order to meet the requirements of the knowledge-based society. The opportunity to learn a foreign language and about other cultures by doing voluntary service abroad is another factor influencing the decision to become a volunteer. In the context of European integration this promotes mutual understanding between cultures. Cross-border voluntary projects such as volunteer fairs in Euregios could be of great importance in relation to the development of European citizenship.

3.8.2 Civil society organisations and volunteer centres will recruit volunteers more easily if they take account of new reali-

ties in our society, examples being changes in youth culture, greater use of the Internet and opportunities for volunteering online. They also need to be aware of new ways of contacting young people e.g. via text messages, and to offer short-term voluntary activity as an initial step for young people. Besides this, they should pay attention to new forms of leisure behaviour and the time available to interested members of public, and to new target groups such as migrants, the long-term unemployed or the increasing number of pensioners who wish to become involved.

3.9 In summary, voluntary activity is a horizontal phenomenon which affects many policy areas in society and which involves a large section of the population. However, it may be noted that few volunteers come from disadvantaged backgrounds or socially marginalised groups.

4. The general socio-economic role of voluntary activity in European society

4.1 Most international literature on the subject tends to analyse the role of voluntary activity based on its contribution to social or economic life. As already pointed out, its derives its essential value from its contribution to active citizenship, and its effects are often difficult to quantify: social commitment, feeling of belonging, identification with society, solidarity, feeling of responsibility for society and the promotion of social cohesion are all difficult to measure.

4.2 A suitable approach, illustrated in research work on civil society (e.g. Putnam, 2000) ⁽⁸⁾, is 'social capital', to which voluntary activity makes a significant contribution. Social networks, contacts, values and public attitudes as well as mutual trust are of great importance for the social (and economic) development of regions. If in a particular area there are many civil society organisations and volunteers, other economic and social indicators also tend to be positive. Voluntary activity significantly increases the social capital of a society, as it creates social networks and links.

4.3 To the generally used quantitative indicators for a country's development (essential economic indicators like economic growth and financial balance) new, alternative indicators need to be added, which measure social capital and social cohesion as well as the contribution of voluntary activity. The economic value of voluntary activity should also be quantified, as proposed by the United Nations in its Handbook on Non-Profit Institutions in the System of National Accounts.

4.4 This is also in line with the emphasis on sustainable development, which strives for a global system in which environmental sustainability, solidarity and democracy are promoted alongside economic success. It is also in line with the objectives of the Lisbon strategy, under which the three areas of the economy, social questions and the environment are considered

⁽⁸⁾ Robert D. Putnam (2000): *Bowling Alone — The Collapse and Revival of American Community*. Simon and Schuster. New York.

inseparable in the overriding context of sustainable development and which sets out to exploit synergies between these areas more effectively. Volunteers make an essential contribution in all these areas: promotion of social cohesion, environmental activities as well as the reintegration of (long-term) unemployed into the job market, and this needs to be measured.

4.5 The Youth Pact adopted by the European Council in 2005 as part of the renewed Lisbon strategy, also calls on young people to become involved in voluntary activity ⁽⁹⁾.

4.6 International studies and experience suggest that voluntary activity could be promoted in an even more effective and targeted way in the various areas.

4.6.1 For example, a start can be made during children's education, socialisation and upbringing on ensuring that they eventually become active members of their communities. A special, inspiring role is played in this process by organisations carrying out social programmes, whose members are mostly children and young people.

4.6.2 Volunteering can play a special role in combating youth and long-term unemployment, as well as generally in relation to entering the labour force.

Volunteers can accumulate important experience and knowledge which is in demand in the labour market and build up a network of contacts. Apart from activities in the social sphere and in health care, which are traditional areas for voluntary activity, volunteers can also acquire key competences and knowledge in areas like publicity, communications, self-expression, social skills, management and vocational training.

They have the opportunity to try out various social roles, to learn to make the right decisions, to solve problems, to assimilate a work culture and to demonstrate their sense of justice and leadership qualities. Voluntary activity can form an important part of a person's CV and career. Voluntary activities are thus an important instrument of non-formal and informal learning that complement formal learning, education and training. They may also enhance employability, particularly of young people.

4.6.3 In relation to active ageing voluntary activity is of twofold importance. On the one hand it enables older people to continue to be involved in the life of society, to make use of their life experience and to continue to feel useful. This has a positive effect on their health and quality of life. Secondly, voluntary activity can promote understanding between generations when young and old act together, exchange experience and support each other.

⁽⁹⁾ The European Youth Pact was adopted by the Spring 2005 European Council as part of the revised Lisbon Strategy and aims at improving education, training, mobility, vocational training and social inclusion of young people while facilitating the reconciliation of working life and family life. In this context the European Council called on the Union and the Member States to encourage the mobility of young people by removing obstacles for trainees, volunteers as well as workers and for their families. Annex 1 of Presidency Conclusions of the European Council, Brussels, 22-23 March 2005 (7619/05).

4.6.4 Voluntary activity can give various marginalised population groups an opportunity for involvement and integration, either because volunteers are working for them or because through their own commitment they are brought back to the centre of society. This kind of empowerment through voluntary activity is particularly important for socially marginalised population groups and migrants. Unfortunately, in some countries the law is holding this process back; for example, in some Member States immigrants cannot become volunteers.

4.6.5 The importance of various self-help groups should also be mentioned. The main characteristic of such groups is that people with similar problems in a wide range of areas come together and share experiences to help one another.

4.6.6 Companies and employers also play a role in promoting voluntary activity. On the one hand their employees and skilled workers can acquire social skills and increase their creativity and work motivation through voluntary activity outside the company and as a result feel more committed to their company. On the other hand, companies are increasingly aware of their social responsibility: mutually beneficial partnerships between volunteer organisations, local and national government and companies help to mobilise skills locally and to harness these in shaping the community. Social dialogue, mutual learning, and joint agreements can contribute to greater recognition and support for voluntary activity, which is part of social responsibility.

4.6.7 The EESC is concerned that, as a result of the lack of a legal definition or basis for voluntary activity in many Member States, volunteer organisations and voluntary activities are often denied public recognition. Sometimes potential is not recognised, where for example voluntary activity is not taken into account in the framework of measures for the integration of young people, the unemployed or migrants. Moreover, volunteers are often in a very difficult position, for example in terms of taxation, social security or insurance. It is vital to push for legislation to clarify the legal status of volunteers and to give every citizen the right to engage in voluntary activity. Furthermore, the EESC calls on the Member States to eliminate labour law shortcomings which prevent the use of volunteers to carry out important work in the public interest, especially in the event of disasters. All too often employees are still dependent on the goodwill of their employer, for instance to give them time off work.

4.6.8 The EESC recommends that the relationship between, and tasks of, government, business and volunteer organisations be clearly defined. Voluntary activity certainly plays an important role in our societies, but it is not intended to provide basic social services or replace government action. The aim of policy must be to promote voluntary activity as such, not to institutionalise it, as it would then lose its *raison d'être* and its special value as the outcome of free choice.

4.6.9 The EESC nonetheless believes that the government has the task of providing the necessary infrastructure for voluntary activity. Voluntary activity may be unpaid but it is not free, as it does entail costs. Experience in a number of European countries also shows that specific infrastructure for voluntary activity significantly increases its scale and quality. Supporting and advising volunteer organisations and motivating volunteers, training them and providing them with support and backup, as well as reimbursing their expenses, all cost money — but are very worthwhile investments. The State has an active role to play, in planning national strategy and raising public awareness, as well as in coordination. To enable a better understanding of

voluntary activity, the State should provide funding for studies, and there should also be a strong emphasis on bringing the volunteer ethos into education.

4.6.10 At the same time all the players involved (government, business, trade unions and volunteer organisations) must work together if voluntary activity is to be promoted and encouraged and its recognition in society enhanced. Effective networking between volunteer organisations for the exchange of best practice and the pooling of resources is essential here, as is dialogue and cooperation between the various sectors.

Brussels, 13 December 2006

The President
of the European Economic and Social Committee
Dimitris DIMITRIADIS

APPENDIX

to the opinion of the European Economic and Social Committee

The following amendment attracted more than a quarter of the votes cast, but was rejected during the course of the deliberations:

Delete point 3.6

Reason

This is an extremely important opinion, as it is one of the few EESC opinions to discuss volunteering so comprehensively. The definitions and examples included in the opinion are important, because future opinions of this type will make use of them when distinguishing between voluntary activity and social services.

The purpose of this amendment is to delete the definitions used by the UN and the ILO. I do not feel there is any reason for the EESC to refer to these definitions in its opinion, as the Commission proposal on which the opinion is based only concerns volunteering in its purest form, i.e. voluntary activity for which the volunteer does not receive any remuneration.

Adoption of my amendment at the plenary session would make the opinion clearer and avoid unnecessary confusion on the part of the reader; it would also make the opinion more concise.

Voting

For: 53

Against: 61

Abstentions: 24

Opinion of the European Economic and Social Committee on the Communication from the Commission to the European Parliament, the Council and the European Economic and Social Committee — Implementing the Partnership for growth and jobs: Making Europe a pole of excellence on corporate social responsibility

COM(2006) 136 final

(2006/C 325/14)

On 22 March 2006 the Commission decided to consult the European Economic and Social Committee, under Article 262 of the Treaty establishing the European Community, on the abovementioned proposal.

The Section for Employment, Social Affairs and Citizenship, which was responsible for preparing the Committee's work on the subject, adopted its opinion on 7 November 2006. The rapporteur was **Ms Pichenot**.

At its 431st plenary session, held on 13 and 14 December 2006 (meeting of 14 December 2006), the European Economic and Social Committee adopted the following opinion by 153 votes in favour with 21 votes against and 14 abstentions.

1. Conclusions and recommendations

1.1 Each European citizen is affected by corporate social responsibility, a component of the European social model. The European Economic and Social Committee is pleased that the Commission communication encapsulates this view; the document also emphasises that 'CSR mirrors the core values of the EU itself'. In line with this, the Committee takes the view that people in the EU should have access to the most reliable and comprehensive possible information on the declarations made by enterprises and territorial authorities and the practices which they pursue. The provision of high quality reports would make it possible for European citizens, in their capacities as consumers, savers and residents, to make guided choices. Products and services which offer high quality social information and traceability already enjoy a real comparative advantage with investors and consumers, as well as consumers' associations. This trend will become increasingly important for sustainable development.

1.2 An information portal on CSR could thus be established in connection with the Action plan to improve communicating Europe. This European portal, which would bring together the available information, would make it possible to carry out a survey of the number and type of enterprises concerned, the issues tackled and the stakeholders involved. It would be useful in encouraging the adoption of CSR by the relevant actors in all the Member States. It would, in particular, be highly desirable for this portal to contain information on best practice in enterprises in the new Member States. This portal would also provide a tool for overall assessment in the field of CSR. This voluntary, multilateral directory, an essential instrument to accompany the 'European Alliance', should be co-financed by the Commission. The 'praxis⁽¹⁾ library' of CSR thus constituted would make it possible to exchange information on the best practice of enterprises and territorial authorities.

1.3 In view of the fact that CSR makes a contribution towards the implementation of the Lisbon Strategy (in respect

of innovation, competitiveness, employability and the creation of jobs), the EESC suggests to the Member States that they include the promotion of CSR in their National Reform Plans and of course in the national strategies for sustainable development. It wishes to point out that CSR practices are voluntary and should form a complement to labour legislation and to national social legislation and should, where necessary, comply with international labour legislation. The EESC also urges public authorities in the Member States and the EU to promote the emergence and development of new sectors of activity created or developed by virtue of the CSR policy. The EESC calls upon the Member States and the EU to encourage enterprises to adopt a responsible attitude with regard to public procurement (social and environmental best bid policy).

1.4 Many practices related to sustainable development or CSR are found throughout Europe. This diversity is a factor for dynamism but makes a concerted European approach difficult. The EESC is pleased that the communication advocates reactivating the high-level group of the Member States on CSR to debate ways of improving the exchange of best practice. Before any attempt at convergence it is necessary to update the inventory of national practices. This examination, including public policies and existing legislation, should make it possible to highlight, while respecting the diversity mentioned above, the results obtained by public policies to encourage promotion of CSR.

1.5 The European Commission believes that European enterprises should engage in responsible conduct, irrespective of where they carry out their activities, whilst respecting the values of the Union and recognised international standards, particularly in respect of decent working conditions. With this same aim in view, the EESC urges the social partners in multinational enterprises of European origin to enrich the transnational social dialogue by negotiating international framework agreements (ACI) on CSR. Since these ACI would, at the very least, have to be based on respect for the principles of the ILO Declaration and the guiding principles of the OECD for multinational enterprises, the enterprises which sign them would thus help to achieve the Millennium Development Goals.

(¹) Praxis (a word of Greek origin meaning action) denotes all human activities capable of transforming the natural environment or modifying social relationships.

1.6 The EESC endorses sectoral social dialogue initiatives which seek to involve CSR in the field of the management of economic change. The EESC calls upon the sectors concerned to ensure that these initiatives include participants from all the EU Member States.

1.7 The EESC takes the view that CSR is at its most effective when it is an integral part of strategy and when it is implemented throughout the corporate hierarchy. The EESC calls upon those enterprises which wish to support the Alliance to participate fully and comprehensively in its work, also by involving both staff representatives who desire to participate and European Works Councils, where they exist.

1.8 The EESC is in favour of SMEs playing a role in bringing about the widespread adoption of CSR practices desired by the Commission. It does, however, call upon all forms of enterprise, including social economy enterprises, to become involved in CSR, whilst maintaining their diversity.

1.9 In order to improve assessment, the EESC calls upon European enterprises to help develop the various measuring and information instruments, such as EMAS, GRI and ISO 26000. It points out that at all events, certification when feasible depends on the willingness of the enterprise and cannot be made obligatory. To ensure the legitimacy and feasibility of assessment and certification agencies, it seems important for these agencies to make their assessment according to criteria based on the fundamental texts contained in the list drawn up by the Multistakeholder Forum of 2004. The EESC encourages the self-regulation initiatives of the agencies sector.

1.10 The Committee notes that the Annex to the Commission's Communication is of the nature of a joint initiative on the part of the Commission and part of the business world, and that the other interested parties were not consulted. It therefore believes that it is up to employers' organisations to disseminate information on — and to promote at national and local level — the activities in the field of CSR of the enterprises supporting the Alliance.

1.11 The EESC urges external stakeholders to become involved in new meetings of the Forum and to participate in the open dialogues within enterprises supporting the Alliance. It recommends that national, multilateral discussion forums be set up to look at best practice, in particular those appearing on the European portal, so as to go as far as possible towards meeting public expectations.

1.12 The EESC would like the assessment of the level of CSR achieved to be the subject of a thorough appraisal. This appraisal should take place as soon as possible in order to ensure the credibility of the new initiative, which is explicitly designed to achieve excellence. This could fit in to the examination of national and Community sustainable development strategies, as the two ideas are part of the same concept, with social responsibility — of businesses and territorial authorities — at the micro level, and sustainable development at the macro level. This issue should be placed on the agenda for the initial meetings of the Multistakeholder Forum (scheduled to take place at the end of 2006); the EESC wishes to be fully involved in the work of this Forum.

1.13 The EESC proposes to the Commission that one of the next few years be designated the 'European Year of Corporate Social Responsibility'.

2. Explanatory statement

2.1 *The European context of CSR since the Lisbon Summit*

2.1.1 The European Councils (Lisbon 2000, Gothenburg 2001) outlined three aspects of a European approach to corporate social responsibility (CSR). In European terms, CSR is a voluntary approach which goes beyond the Community acquis, while the latter remains an obligatory foundation in its social aspect (labour law), its societal aspect (consumer law) and its environmental aspect (environmental law). Voluntary European instruments covering the environmental aspect (EMAS, Ecolabel) were already available.

2.1.2 In July 2001 the European Commission published a Green Paper defining CSR and entitled '*Promoting a European framework for Corporate Social Responsibility*'⁽²⁾. The EESC adopted an opinion on the Green Paper on 20 March 2002⁽³⁾. The Green Paper called upon every Member State to provide a contribution on this question. On the basis of the contributions received, the Commission adopted (in July 2002) an initial communication on corporate social responsibility entitled '*A Business Contribution to Sustainable Development*'. This title emphasised the fact that CSR is the microeconomic aspect of the macroeconomic concept of sustainable development.

2.1.3 A Multistakeholder Forum on CSR in the Union was organised by the Commission. The objective was to define common guiding principles on CSR. This was a new process of dialogue and consultation involving the social partners, research bodies and the parties concerned. It was a unique attempt to organise a civil dialogue on a theme put forward by the Commission. After lengthy committee work and four plenary meetings, the Forum delivered its final report on 29 June 2004. The Forum recognised that various stakeholders and not just enterprises are involved in sustainable development. The report contains nine sets of recommendations intended for enterprises, stakeholders, public authorities and European institutions. These recommendations concern raising awareness of and training for CSR, inclusion of CSR in the work of each actor and ensuring an environment favourable to CSR. UNICE was satisfied with the results; the ETUC accepted the text of the report with some reservations; other parties expressed dissatisfaction. As the

⁽²⁾ COM(2001) 366 final.

⁽³⁾ EESC opinion of 20.3.2002 on the Green Paper entitled '*Promoting a European framework for corporate social responsibility*', rapporteur: Ms Hornung-Draus; co-rapporteur: Ms Engelen-Kefer; co-rapporteur: Mr Hoffelt (OJ C 125, 27.5.2002).

Communication of 22 March 2006 points out, 'the Forum succeeded in achieving a measure of consensus among participants, but it also revealed the significant differences of opinion between business and non-business stakeholders'.

2.1.4 In June 2003, Directive 2003/51/EC amending two directives on the annual accounts and consolidated accounts of enterprises introduced the possibility of publishing indicators of non-financial performance, particularly in terms of environment and employees. To contribute to promoting CSR, the EESC adopted in June 2005 an opinion on the instruments for measuring and providing information on CSR ⁽⁴⁾.

2.1.5 A second communication entitled *'Implementing the partnership for growth and jobs: Making Europe a pole of excellence on corporate social responsibility'* was published on 22 March 2006 ⁽⁵⁾. It is the subject of this opinion. It is accompanied by an annex entitled *'The European Alliance for CSR'*.

2.1.6 In its Communication of May 2006 entitled *'Promoting decent work for all'* ⁽⁶⁾ the Commission 'acknowledges the important role of CSR, which complements legislation, collective bargaining and control of working conditions. It takes the view that codes of conduct and other CSR instruments should be based on instruments adopted at international level (OECD, ILO). It calls on businesses, the European Alliance for CSR and other stakeholders to take action to promote decent work for all.' In addition, in the integrated guidelines for the implementation of the Lisbon Strategy, the European Council of June 2006 recommended that the Member States encourage enterprises to develop their social responsibility.

2.1.7 The Council, in its new definition of sustainable development ⁽⁷⁾ dated June 2006, provides, in the guiding policy principles, the 'involvement of businesses and social partners' consisting of 'Enhanc[ing] the social dialogue, corporate social responsibility and private-public partnerships to foster cooperation and common responsibilities to achieve sustainable consumption and production.' Point 31 of the communication states: 'Business leaders and other key stakeholders including workers' organisations and nongovernmental organisations should engage in urgent reflection with political leaders on the medium- and long-term policies needed for sustainable development and propose ambitious business responses which go beyond existing minimum legal requirements. A proposal to foster this process will be made by the Commission in 2007. In accordance with the European Alliance for Corporate Social Responsibility (CSR), awareness and knowledge of corporate social and environmental responsibility and accountability should be increased.'

⁽⁴⁾ EESC opinion of 8 June 2005 on the Information and measurement instruments for CSR in a globalised economy, rapporteur Ms Pichenot (OJ C 286 of 17.11.2005).

⁽⁵⁾ COM(2006) 136 final.

⁽⁶⁾ COM(2006) 249 final.

⁽⁷⁾ Communication 10117/06.

2.2 Summary of the communication

2.2.1 The Communication of March 2006 ⁽⁸⁾ follows on from what was achieved earlier, and restores political visibility to CSR. In this Communication, the new Commission supports the creation of the European Alliance for CSR and relaunches the meetings of the Multistakeholder Forum. With regard to the European Alliance: the Commission 'announces backing for the launch of a European Alliance on CSR, a concept drawn up on the basis of contributions from business active in the promotion of CSR.' With regard to the Multistakeholder Forum: 'The Commission continues to attach utmost importance to dialogue with and between all stakeholders, and proposes to re-convene meetings of the Multistakeholder Forum at regular intervals with a view to continually reviewing progress on CSR in the EU.'

2.2.2 The Commission emphasises that it does not play an active role in the Alliance. In particular, the Alliance 'does not imply any new financial obligations for the Commission'. The Commission specifies that the Alliance 'is not a legal instrument and is not to be signed by enterprises, the Commission or any public authority' but is 'a political umbrella for new or existing CSR initiatives by large companies, SMEs and their stakeholders'.

2.2.3 In an annex, which does not have the same scope as the text of the Communication, the Alliance is presented as an initiative by the business world based on partnership: 'In this context, the European Commission backs members of the business community that are laying the foundations of a European Alliance for CSR. This is an open alliance for enterprises sharing the same ambition: to make Europe a pole of excellence on CSR in support of a competitive and sustainable enterprise and market economy. The essence of this initiative is partnership.' It is intended to be open to all European enterprises, whatever their size, on a voluntary basis. In autumn 2006, around a hundred enterprises were listed on the UNICE website.

2.2.4 The Commission takes the view that 'because CSR is fundamentally about voluntary business behaviour, an approach involving additional obligations and administrative requirements for business risks being counter-productive and would be contrary to the principles of better regulation.' Certainly it does not seem compatible with the voluntary character of CSR to impose new binding rules, but it is clear that an enterprise involved in CSR begins with strict respect for the letter and spirit of the law, duly verified by the relevant authorities.

2.2.5 The Commission is hoping that its support for the Alliance will make it possible to generalise CSR in European enterprises. Confidence, which is the key to this process, cannot be decreed; it can be guaranteed only by the quality of an enterprise's governance.

⁽⁸⁾ COM(2006) 136 final.

2.2.6 The participation of enterprises in the Alliance is purely declaratory and is not covered by any formal commitment. This simplicity should encourage a rapid increase in the number of enterprises regarding the Alliance as a point of reference.

2.2.7 The Commission 'recognises that without the active support and constructive criticism of non-business stakeholders, CSR will not flourish.' Thus the active support and constructive criticism of stakeholders who do not belong to the business world enrich the process.

2.2.8 The Alliance's existence is not intended to replace the dialogue with and between all the stakeholders. To encourage this dialogue, the Commission 'proposes to re-convene meetings of the Multistakeholder Forum at regular intervals with a view to continually reviewing progress on CSR in the EU.' These meetings will make it possible to take stock of the situation: 'The Commission will reassess the evolution of CSR in Europe in a year's time following the discussion within the Multistakeholder Forum.' This opinion seeks to provide a guide for preparing the next stage in the process, emphasising the points on which recommendations can be made.

2.3 Focus on certain salient points of the Communication

2.3.1 Enterprises in the Lisbon Strategy

2.3.1.1 The Commission takes the view that enterprises, which create wealth and jobs, offer goods and services which bring an added value to society. It calls on European enterprises to 'step up' their commitment to CSR. The EESC agrees with the Commission's view that enterprises which make a voluntary effort in the direction of CSR contribute to the renewed Lisbon Strategy. In particular, these voluntary CSR practices can help the public authorities to draw up certain integrated guidelines relating to social integration, lifelong learning, innovation and the development of entrepreneurship, for example by combating discrimination and favouring diversity particularly as regards disabled people, anticipating the evolution of qualifications, recruiting in disadvantaged districts and providing support through the chambers of commerce and industry for young heads of enterprises, including women or people who are recent immigrants.

2.3.1.2 The Committee maintained in a recent opinion⁽⁹⁾ that 'the European Social Model should provide an idea of a democratic, green, competitive, solidarity-based and socially inclusive area for all citizens of Europe'. The Commission calls upon European enterprises to engage in CSR measures which do not bring them immediate profit but improve the competitiveness of Europe as a whole and help to achieve the Millennium Development Goals, such as recruitment of personnel among disadvantaged groups, reduction of pollution levels and

⁽⁹⁾ EESC opinion of 4 and 5 July 2006 on *Social cohesion: fleshing out a European social model*, rapporteur Mr Ehnmark (CESE 493/2006).

greater respect for fundamental rights in the developing countries. The EESC endorses this form of encouragement.

2.3.1.3 The EESC approves of the link made between the Lisbon Strategy, sustainable development and CSR. Nevertheless, as it stated in a recent opinion⁽¹⁰⁾, it takes the view that the links between the Lisbon Strategy and the sustainable development strategy should be clarified. To implement these strategies, action by the public authorities remains essential, defining an optimal framework for growth and innovation at macroeconomic level (National Reform Plans, national strategies for sustainable development); responsible enterprises form part of this framework by acting at the microeconomic level. Thus the CSR practised by enterprises, by developing innovative processes and responsible management strategies, contributes to sustainable development at European and worldwide level.

2.3.2 Diffusion: CSR for all enterprises willing to take part

2.3.2.1 The communication of March 2006 calls upon European enterprises, whatever their size, to commit themselves to CSR. The EESC is convinced that the promotion of CSR among SMEs is an important part of this diffusion. Specific tools, tried out over the last two years, represent accumulated experience which deserves an impact study making it possible to follow the development of these practices.

2.3.2.2 In the conclusions of the Multistakeholder Forum, it was made clear that the recommendations were addressed to all types of enterprises (including SMEs and social economy enterprises), while respecting their diversity. The EESC supports the idea that SMEs and microenterprises have a part to play in a CSR strategy equipped with appropriate tools. It also points out that all types of enterprise are equally concerned: not only limited liability companies but also enterprises operated under the owner's name, public enterprises, mutual societies, craft, industrial and agricultural cooperatives, joint enterprises, social economy associations etc. It invites all these forms of enterprise to commit themselves to the Alliance. CSR measures are desirable from the moment a business is set up.

2.3.3 The role of the internal stakeholders

2.3.3.1 The communication draws attention to the effectiveness of the social dialogue on CSR and the constructive role of the European Works Councils in the definition of best practice. In view of this, the EESC deplores the failure to invite the participation of the representative organisations involved in the social dialogue — at both inter-professional and sectoral levels — on the occasion of the launch of the European Alliance on CSR.

⁽¹⁰⁾ EESC opinion of 22 May 2006 on the Communication from the Commission to the Council and the European Parliament on the review of the Sustainable Development Strategy: a platform for action, rapporteur: Mr Ribbe (CESE 736/2006).

2.3.3.2 In the EESC's view ⁽¹⁾ the 'European social market economy model does not regard enterprises simply as capitalised companies or bodies for processing contracts but also — and more especially — as collective entities which should provide a forum for social dialogue'. Frequently, the initiative for engaging in CSR practices comes from top management. However, best practice cannot be imposed by the management of the enterprise. In the EESC's view, CSR on a European scale is not driven by philanthropic decisions but is rather the result of a dialogue with all the vital forces of the enterprise at every level of responsibility. It is not just heads of enterprises who are concerned by CSR — executive staff and all employees are likewise concerned, inter alia through dialogue with external stakeholders. CSR is worthy of the name when it is an integral part of business strategy and when it is implemented by all corporate stakeholders. Since CSR is, by definition, a voluntary act that goes beyond the law, it includes and exceeds what is required by law.

2.3.3.3 That is why the international framework agreements on CSR are very interesting. These agreements are negotiated and signed by the management of the enterprise or of the enterprises in the group and by the employees' representatives. The latter are the international or European sectoral federations or national trade union federations and the European Works Council. By signing the agreements, the two social partners commit themselves to applying the principles of CSR in relations between their enterprises and external stakeholders, in particular subcontractors and local and regional communities.

2.3.3.4 The EESC agrees with the point made in the communication that 'The role of employees, their representatives and their trade unions in the development and implementation of CSR practices should be further enhanced.' The EESC calls upon the enterprises which intend to support the Alliance to play a full part in it, also by involving staff representatives who wish to participate. In cases where enterprises have a European Works Council (EWC), these bodies, too, have a role to play in this context.

2.3.3.4.1 In a recent opinion ⁽²⁾, the EESC stated 'The EESC upholds the social dimension of businesses in the European Union, and the role played by EWCs. In discussing sustainable development and the European social model, the European debate has focused on the Union's unique features. Corporate social responsibility in a global economy represents one of Europe's responses to the problems raised by globalisation, the negative effects of which could be mitigated by the adherence of all WTO members to basic ILO standards.' and 'The European social model is marked by the respect it shows for the rights on which human dignity is based, as well as by the protection it provides for the most vulnerable through welfare systems.. In today's Europe, it should be indeed possible to exercise citizen-

ship rights everywhere, including in the workplace and, in particular, within cross-border companies.'

2.3.3.5 The EESC encourages enterprises and vocational training bodies to include in their training programmes education in respect of sustainable development and CSR.

2.3.4 Sectoral approaches

2.3.4.1 The Commission will continue to support CSR initiatives launched by the stakeholders, particularly by the social partners and the NGOs and especially measures taken at sectoral level. It underlines the important role of the sectoral dialogue committees. The EESC supports these initiatives. The EESC calls upon the sectors concerned to ensure that these initiatives include participants from all the EU Member States.

2.3.5 Making Europe a pole of excellence on CSR

2.3.5.1 The communication refers to 'making Europe a pole of excellence on corporate social responsibility' but says nothing about how to assess the level of quality attained. However, if we are to be able to claim that we have achieved a level of excellence, we must have some means of assessing the quality of CSR attained in Europe. Over and above the reports issued by individual enterprises, the EU should be in a position to compare its achievement in the field of CSR with those of other regional 'poles of excellence'. As an initial step, a portal could be set up to gather together the available information in order to provide an inventory of the number and type of enterprises, the subjects covered and the stakeholders involved.

2.3.5.2 If Europe is to become a pole of excellence on CSR, the European Alliance should include work on appropriate tools. Products and services which offer high quality social information and traceability already enjoy a real comparative advantage with investors and consumers, as well as consumers' associations. This trend will become increasingly important for sustainable development.

2.3.5.3 The EESC would like the assessment of the level of CSR achieved to be the subject of a thorough appraisal. This appraisal should take place as soon as possible in order to ensure the credibility of the new initiative, which is explicitly designed to achieve excellence. This question should be on the agenda of the initial meetings (late 2006) of the Multistakeholder Forum. At this forum held in Brussels on 7 December 2006, the Commission presented a compendium — essentially an inventory — of corporate social responsibility initiatives implemented so far. The EESC expresses its readiness to analyse what has been done in some specific areas and to initiate institutional cooperation with the Commission which would include management of the CSR portal.

⁽¹⁾ EESC opinion of 8 June 2005 on the Information and measurement instruments for CSR in a globalised economy, rapporteur Ms Pichenot (OJ C 286, 17.11.2005).

⁽²⁾ EESC opinion of 13 September 2006 on *European works councils: a new role in promoting European integration*, rapporteur: Mr Iozia, points 1.11 and 1.13. OJ C 318, 23.12.2006

2.3.5.4 The concepts are not well established, and there is no overall consensus about the tools. Nonetheless, some Member States are carrying out policies aimed at greater corporate transparency on CSR. More in-depth knowledge of national policies carried out by Member States would facilitate a process of cross-fertilisation. The proposal in the communication to reactivate the high-level group on CSR is a step in the right direction, as long as the new and future Member States play an active part in it. It would be appropriate to include a review of public policies promoting CSR in the review of the European (EU and Member States') sustainable development strategy planned for 2007.

2.3.6 Information and transparency

2.3.6.1 The EESC notes with interest the Commission's intention to improve transparency and consumer information. The EESC would, nonetheless, highlight the fact that this transparency and information in respect of CSR must not be confined to public health requirements with regard to consumer goods. Consumers can play a role in encouraging the responsible production of goods and services. With this aim in view, they need to know not only whether the goods which they consume conform to public health requirements but also whether the production methods employed are in line with social and environmental standards. Furthermore, the concern for transparency should be extended to cover all sectors of the economy. It is desirable for consumers to be informed whether the goods which they consume qualify for the description 'socially responsible'; it is desirable for investors and savers to be informed whether the enterprises in which they invest their money qualify for this same epithet and it is desirable for residents to be informed whether facilities, infrastructure and other services have been constructed in a socially responsible way and, in particular, whether they respect the environment. Financial players are already demonstrating their interest in providing information on enterprises which is not just confined to financial matters by offering 'socially responsible' investment funds. These players, together with rating agencies assessing aspects other than financial considerations, are pre-eminent promoters of CSR. Industrial sectors are taking steps to define professional standards, a case in point being the construction industry which has established the 'high environmental quality' criterion, whilst a number of sectors which are highly concerned by this matter, such as the aluminium, oil and paper industries are concerned about the environmental impact of their activities. Such self-regulatory measures should, in the EESC's view, be taken up by other sectors.

2.3.6.2 Enterprises use different techniques to assess their financial viability (nature and transparency of investments, accounts and checks) and their social and environmental performance (working conditions, protection of nature and territories in the value chain). These are different and complementary, and need to be in synergy with one another.

2.3.6.3 In order to ensure the legitimacy and reliability of assessment and certification agencies, transparency on principles is essential. Enterprises need to know according to what references they are assessed. With this in mind, the EESC welcomes the publication of the principles of socially responsible investment⁽¹³⁾. It is important that these agencies should make their assessment on the basis of the fundamental texts contained in the list drawn up by the Multistakeholder Forum of 2004. The agencies must be as transparent as possible. The CSRR-QS standard was an attempt at professional self-regulation. The EESC calls upon the profession to continue in this direction. In a recent opinion⁽¹⁴⁾ the EESC called upon European enterprises to involve themselves in the development and revision of the various measuring and information instruments, such as EMAS, GRI, ISO 26000. The EESC stresses the need to ensure that international standards do not redefine the concept of corporate social responsibility, reducing it to the mere application of standards and conventions, when the essence of CSR is that of voluntary initiatives taken by enterprises quite apart from their legal obligations. It recommends to the national representations which are drawing up the ISO 26000 guidelines that they promote the European definition of CSR, which includes the law but goes beyond it. However important the work of the assessment agencies, enterprises must not be obliged to submit to private standards the verification of which would be burdensome for SMEs. When the instruments make certification possible, it depends on the willingness of the enterprise and must not in any case be made obligatory.

2.3.6.4 The communication underlines that 'External stakeholders, including NGOs, consumers and investors, should play a stronger role in encouraging and even rewarding responsible business conduct.' They should also play their role of sounding a warning. That means that information for external stakeholders must be of good quality. The communication encourages the enterprises which support the Alliance to communicate information on CSR to all those concerned, particularly consumers, investors and the general public, and calls on large enterprises to present their strategies and initiatives in the field of CSR as well as results achieved or best practice, in a form which the public will find easy to access. As regards information on CSR, the EESC would draw attention to its earlier proposal⁽¹⁵⁾ calling for the establishment of a European information portal on CSR practices adopted by large enterprises. Given that analysis by a third party makes it possible to improve information and ensures transparency, the EESC envisaged data provided by businesses themselves being analysed by a trustworthy third party, such as a European institutional observer. This analysis could be carried out later, using data from the European portal.

⁽¹³⁾ See the website on the principles of socially responsible investment, in French: <http://www.unpri.org/principles/french.html>.

⁽¹⁴⁾ EESC opinion of 8 June 2005 on the Information and measurement instruments for CSR in a globalised economy, rapporteur Ms Pichenot (OJ C 286, 17.11.2005) (Points 4.4.1 and 4.4.2).

⁽¹⁵⁾ EESC opinion of 8 June 2005 on the Information and measurement instruments for CSR in a globalised economy, rapporteur Ms Pichenot (OJ C 286, 17.11.2005) (Point 4.4.3).

2.3.6.5 Moreover, the communication states that no formal requirement is placed on enterprises which wish to express their support for the Alliance and that the European Commission will not keep a list of the enterprises which do so. At the present time, seven months after the launch of the Alliance, it is presented solely on the websites of UNICE, CSR Europe, and a number of national employers' organisations. The EESC deplores the failure to make information on the Alliance accessible and to make such information available to the parties concerned in an amalgamated form.

2.3.7 Competitiveness and sustainable development

2.3.7.1 A responsible enterprise may gain a competitive advantage in terms of image, which is particularly useful to enterprises in the consumer goods sector.

2.3.7.2 Responsible enterprises are a breeding ground for innovation and creativity. Their products and services give the customer more quality and value. This can also lead to a comparative advantage.

2.3.7.3 By anticipating risks, putting in place an integrated CSR process leads to better management or even avoidance of crises, inter alia in terms of the risk of misappropriation of funds, and industrial and technological risks. For example, there are fewer accidents when staff work safely because they have been properly trained and the relevant investment has been made. Thus, the adoption of CSR practices can lead to a measurable reduction in observed or predictable risks. The EESC notes with interest that some insurance companies take account of this in their premiums, and calls on the entire financial sector to do likewise.

2.3.7.4 Application of CSR principles leads the enterprise to improve its decision-making processes and its governance, thus improving its long-term performance. A system of management of human resources which includes lifelong learning schemes and the retention of older workers helps enterprises to make optimal use of their human capital and promotes active ageing. The EESC notes with interest the initiatives carried out by certified public accountants in Europe with a view to promoting responsible management by ensuring that the quality of information on environmental issues and staff matters forms an integral part of strategic analyses of enterprises.

2.3.7.5 The EESC points out that long-term competitiveness often results from actions with a short-term cost. It calls on enterprises not to focus on immediate profitability alone.

2.3.7.6 The EESC calls upon the Member States and the EU to encourage enterprises to adopt a responsible attitude with regard to public procurement (social and environmental best bid policy).

2.3.7.7 On a macroeconomic scale, the solution of social or environmental problems involves the creation or the development of new fields of activity, opening up opportunities for economic development and job creation. These include eco-effi-

ciency, individual services and the relationship between town planning and transport. The EESC calls on the public authorities of the Member States and the EU to encourage the emergence and the development of these sectors.

2.3.8 The new Member States

2.3.8.1 Even though efforts have been made in some of the new EU Member States, the enterprises which claim to be up to date on CSR are found mainly in the old Member States.

2.3.8.2 The EESC thinks it essential to make known and make the most of the best practice followed by the enterprises in the new Member States, particularly SMEs.

2.3.8.3 Because of the differences in the economic and cultural context, the enterprises of the new Member States undoubtedly have much to learn from the experience of enterprises in regions with similar characteristics. When socially responsible measures are implemented in countries which do not have a long experience of the social market economy, such initiatives may provide inspiration, more especially to players in countries which have had a similar history.

2.3.8.4 It is therefore particularly important for information on the best practice of enterprises in the new Member States to be brought to the attention of their counterparts in all the existing and future EU Member States.

2.3.8.5 Similarly, awareness-raising among the public and/or various interest groups on issues relating to responsible economic activity should be promoted, as it is largely their dynamism and the participation of various stakeholders which determines the speed and quality with which CSR principles are put into practice.

2.3.9 The international dimension of CSR

2.3.9.1 The EESC approves the approach adopted by the Commission, which intends to continue to promote CSR at global level in order to maximise the contribution made by enterprises to the achievement of the UN Millennium Development Goals. The EESC also expresses its backing for the Commission's intended course of action with regard to international benchmarks for responsible business conduct, namely: to encourage the implementation of the ILO declaration of tripartite principles on multinational enterprises and social policy, of the OECD's guiding principles for multinational enterprises, of the United Nations Global Compact for enterprises and principles of Socially Responsible Investment and of the other reference instruments and initiatives; to give an impulse to the promotion of strict environmental standards; to take account of sustainable development in bilateral trade and cooperation agreements; to encourage through commercial incentives respect for the great international principles on human rights and labour rights, environmental protection and governance; to intensify cooperation with the ILO on decent working

conditions; to promote CSR in the framework of the new strategy for Africa; to follow related international initiatives (work of the United Nations special representative, ISO guidelines, certification of the Kimberley process). Such encouragement is all the more important because it could, for some countries, represent the first step towards effective social legislation.

Brussels, 14 December 2006

2.3.9.2 The EESC takes the view that free zones, which exist to create an attractive investment environment, must in no case operate outside the limits set by national employment legislation. Expressing CSR concerns in such zones cannot be a substitute for compliance with the corpus of fundamental ILO conventions.

The President
of the European Economic and Social Committee
Dimitris DIMITRIADIS

Opinion Of the European Economic and Social Committee on Children as indirect victims of domestic violence

(2006/C 325/15)

On 21 April 2006, the European Economic and Social Committee, acting under Rule 29(2) of its Rules of Procedure, decided to draw up an opinion on: *Children as indirect victims of domestic violence*

The Section for Employment, Social Affairs and Citizenship, which was responsible for preparing the Committee's work on the subject, adopted its opinion on 7 November 2006. The rapporteur was **Ms Heinisch**.

At its 431st plenary session, held on 13-14 December 2006 (meeting of 14 December 2006), the European Economic and Social Committee adopted the following opinion by 105 votes to four with five abstentions.

1. Conclusions and recommendations

1.1 This additional opinion refers to the definitions and analyses contained in the opinion on *Domestic violence against women*, adopted by the European Economic and Social Committee on 16 March 2006, which dealt only with violence perpetrated by men against their female partners ⁽¹⁾. *This opinion likewise deals only with this aspect of violence in the family, namely with the effects on children who witness violence against the partner. Direct violence against children in the family, which is very often also carried out by women (i.e. mothers), is not the subject of this opinion.* Although growing up in a climate of physical and psychological violence can have serious consequences for children, awareness of children as indirect victims of domestic violence is still limited. This situation can no longer be tolerated, not least in the context of children's rights to a life without violence, and in particular to an upbringing free from violence, and to care and protection.

1.2 The EESC therefore urges the EU Council presidencies also to look at the issue of *Children as indirect victims of domestic violence* when examining the question of domestic violence against women.

The above comments are addressed to the EU Council presidencies and the Commission.

⁽¹⁾ EESC own-initiative opinion of 16.3.2006 on *Domestic violence against women*, Rapporteur: Ms Heinisch (OJ C 110, 9.5.2006, pp 89-94, points 2.3.4 and 2.3.5.
URL: <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:C:2006:110:0089:0094:EN:PDF>.

1.3 On 4 and 5 April 2006, a conference in Monaco launched the Council of Europe's three-year programme (2006-2008) entitled *Building a Europe for and with children*. As well as campaigning for the protection of children's rights, this programme will deal with the issue of protecting children from violence. In order to give this important project even more impetus, in particular in the media, the EESC proposes joint action involving the Council of Europe, the European Parliament, the Committee of the Regions and UNICEF.

The above comments are addressed to the Council of Europe, the European Parliament, the Committee of the Regions and UNICEF.

1.4 Whilst the main responsibility for combating domestic violence lies with the Member States, the importance of children's rights and the different responses in different countries do, however, lead the EESC to believe that a Europe-wide strategy is necessary.

The basis for this Europe-wide strategy must be an initial Europe-wide study on the prevalence and consequences of growing up in the context of domestic violence, which also looks into what can be and is being done to protect and support children indirectly affected by such violence.

The above comments are addressed to the Commission, Directorate-General for Justice, Freedom and Security.

1.5 Violence against children in the context of domestic violence can only be effectively combated at the appropriate national level. Therefore, each Member State should specifically address the issue of children as indirect victims of domestic violence when drawing up and implementing its National Action Plan for combating domestic violence. Particular attention should be given to the following areas:

- surveys into the prevalence and consequences of growing up in the context of domestic violence;
- surveys into what can be and is being done to protect and support children indirectly affected by such violence;
- steps to raise awareness of children indirectly affected by domestic violence as a group in their own right for which special support measures must be developed;
- networking and cooperation in all measures for all areas of activity, in particular between women's refuges and women's advisory services on the one hand and youth services, family courts, child protection centres and family advisory services on the other;
- consideration of the domestic violence situation when settling access and custody rights;
- consideration of the particular situation of the children of abused women migrants;
- provision of training and further training for all the relevant professional groups and areas of action, such as children and youth services, advice centres and refuges, agencies, schools, nursery schools and leisure facilities, health services, police and courts, whose role is to recognise the specific danger to children in the context of domestic violence and to provide effective help to those affected;
- development and implementation of special preventive measures on the subject of *Children as indirect victims of domestic violence*;
- organisation of awareness-raising campaigns aimed at potential direct witnesses of violence against children (neighbours, friends of parents or relatives) in order to combat the indifference of such persons to the abuse of children;
- creation of interlocutors for children, together with support from state and non-state bodies along the same lines as the children's ombudsman already in place in several countries ⁽²⁾;
- national action plans and the measures and ideas they contain should be publicised through information campaigns.

The above comments are addressed to the Member States.

⁽²⁾ European Network of Ombudspersons for Children (ENOC): <http://www.ombudsnet.org/>.

2. Explanatory statement

2.1 Why an additional opinion?

2.1.1 This additional opinion refers to the definitions and analyses contained in the opinion on *Domestic violence against women*, adopted by the European Economic and Social Committee on 16 March 2006, which dealt only with violence perpetrated by men against their female partners. *This opinion likewise deals only with this aspect of violence in the family, namely with the effects on children who witness violence against the partner. Direct violence against children in the family, which is very often also carried out by women (i.e. mothers), is not the subject of this opinion.* Empirical evidence in respect of several European countries demonstrates that children are present in at least half of all cases of domestic violence, and that around three quarters of women who flee to women's refuges have children with them ⁽³⁾. Empirical evidence and statistical data also clearly demonstrate that violence against the mother by the father always harms the children, even though domestic violence is not direct violence against children. Yet awareness of children as indirect victims of domestic violence is still limited, and they do not get anything like the attention, help and support that they need. This additional opinion aims to change this by focusing on children as indirect victims of domestic violence, describing their specific situation, identifying the problems and making recommendations as to how to improve the situation and rights of these children.

2.2 Violence against children in the context of domestic violence

2.2.1 Most violence against children takes place within their social circle, especially within the family. This is where children are most likely to be victims and witnesses: victims of violence by adults, and witnesses of violence between adults.

2.2.2 Whilst direct violence against children in the family or its social circle — physical, sexual and psychological abuse and neglect — has for many years, at European level and in the Member States, been recognised as a problem and considered to be one of the most serious violations of children's rights, and whilst appropriate conclusions have been drawn regarding the prevention and prosecution of such violence, awareness of children as indirect victims of domestic violence is still limited ⁽⁴⁾.

2.2.3 Domestic violence is defined as violence against a partner, i.e. psychological or physical (including sexual) violence within marital and non-marital partnerships. ⁽⁵⁾ It is mostly perpetrated by men against women. The majority of the women affected are mothers. When these women experience violence at the hands of their partners, the children are in most cases either present or within earshot ⁽⁶⁾.

⁽³⁾ Relevant evidence in B. Kavemann/U. Kreyssig (Eds): *Handbuch Kinder und häusliche Gewalt* (Handbook on children and domestic violence), Wiesbaden 2006.

⁽⁴⁾ Examples of this are the many projects that have been and are being supported through the DAPHNE programme. An up-to-date overview of the Council of Europe's activities to promote children's rights, in particular to protection from all forms of violence, can be found in the report *Council of Europe Actions to Promote Children's Rights to Protection from all Forms of Violence* published in 2005 by the UNICEF Innocenti Research Centre.

⁽⁵⁾ For more on the definition, scope, causes and effects, see the EESC opinion on *Domestic violence against women* (Footnote 1).

⁽⁶⁾ See A. Mullender/R. Morley: *Children living with domestic violence. Putting men's abuse of women on the Child Care Agenda*. London 1994.

2.2.4 Violence against the mother is a form of violence against the child. Children who witness domestic violence and have to experience and watch their father, stepfather or mother's partner hitting and abusing her are always victims of psychological violence. Although domestic violence does not constitute direct violence against children, violence against the mother is always harmful to children ⁽⁷⁾.

2.2.5 Furthermore, several academic studies have shown that domestic violence against women and child abuse often occur in the same families ⁽⁸⁾. Men who abuse their partners often also perpetrate violence against children. Because they live in a climate where it is routine, women who suffer violence may sometimes also be violent in turn towards their children.

2.2.6 Moreover, battered women are often under such strain that they are unable to care properly for their children. Exposure to long-term abuse by their partners robs many women of the ability to do anything to protect their children.

2.2.7 Domestic violence thus not only constitutes a threat to the lives and wellbeing of women, but also affects and endangers the welfare of children.

2.3 The effects of domestic violence on children

2.3.1 Growing up in a climate of physical and psychological violence can have serious consequences for children. Children — even young children — feel very helpless and vulnerable in the face of the father's, stepfather's or mother's partner's violence and her powerlessness. They also sometimes feel responsible for what is happening. They often believe that the violence is their fault, or they try to intervene and protect the mother, and are then themselves abused.

2.3.2 Various studies, particularly in Britain and North America, have looked at this problem ⁽⁹⁾. Although the effects on each individual child are different and not all children develop behavioural problems as a result of violence, and although there are no empirically established criteria for determining how great the risk is (if any) in each individual case, there do seem to be clear links.

2.3.3 The main stress factors that need mentioning are: living in a threatening atmosphere; not knowing when an attack will happen next; fear for the mother's survival; the feeling of helplessness in the situations in question; the feeling of isolation, because such children are often warned not to tell outsiders;

⁽⁷⁾ See: E. Peled et al (eds.): Ending the cycle of violence. Community response to children of battered women. Thousand Oaks, CA 1995.

⁽⁸⁾ See A. Mullender/R. Morley: Children living with domestic violence. Putting men's abuse of women on the Child Care Agenda. London 1994.

⁽⁹⁾ A summary and comparative assessment of a large number of these studies can be found in Jeffrey L. Edleson: *Should childhood exposure to adult domestic violence be defined as child maltreatment under the law?* <http://www.mincava.umn.edu/link/documents/shouldch/shouldch.shtml>.

conflicts of loyalties towards the parents; and impairment of the parent-child relationship.

2.3.4 This can cause children to develop massive problems and behavioural disorders, including psychosomatic symptoms and psychological problems such as low self-esteem, restlessness, sleep disorders, difficulties at school, anxiety, aggression, and even suicidal thoughts.

2.3.5 When the perpetrators abuse not only their partners but also their children, the resulting symptoms of developmental problems and psychological disorders can be even more serious.

2.3.6 Growing up in a context of domestic violence can also have an impact on the children's attitude to violence and to their own violent behaviour. By observing their parents' behaviour or experiencing violence themselves, children can take on the adults' problematic behaviour patterns. The cycle of violence can lead boys to learn the role of perpetrator and girls to learn that of victim, and can mean that they themselves become perpetrators or victims of domestic violence when they are adults.

2.3.7 The effects on children who experience or witness their mother being killed by her partner seem to be particularly severe.

2.4 Analysis and proposals of the EESC

2.4.1 When children grow up in a context of domestic violence, this always impacts directly or indirectly on them. They are exposed to numerous stress factors that can have significant and long-term effects on their wellbeing and behaviour.

2.4.2 The significance of these effects has long been underestimated. Although the problem has begun to be discussed over the last few years, awareness of children as victims of domestic violence is still limited.

2.4.3 Not least in the context of children's rights to a life without violence, and in particular to an upbringing free from violence, and to care and protection, this situation can no longer be tolerated ⁽¹⁰⁾.

2.4.4 The EESC's proposals mainly focus on the following areas:

2.4.5 Surveys on the situation of children in the context of domestic violence in the EU Member States

⁽¹⁰⁾ According to the UN Convention on the Rights of the Child, which was adopted in 1989 by the UN General Assembly and has been ratified by all but two countries in the world. A communication on children's rights in the EU was published by the Commission in July 2006 (COM(2006) 367 final). EESC opinion of 12/13.12.2006 on the *Communication from the Commission: Towards an EU Strategy on the Rights of the Child*, Rapporteur: Ms van Turnhout

2.4.5.1 Whether and to what extent the situation of children in the context of domestic violence has been recognised as a problem in EU Member States, and has led to intervention and preventive measures, varies significantly ⁽¹¹⁾. Such is the situation at EU level described in the EESC opinion on domestic violence against women ⁽¹²⁾.

2.4.5.2 The academic and political discussion within the European Union would benefit greatly from a precise, up-to-date understanding of social attitudes to this issue of domestic violence, of the legislative basis and approaches to protection and support of children, and of intervention and prevention.

2.4.6 Research into the type, extent and impact of domestic violence on children

2.4.6.1 Children in the context of domestic violence can, as an area of research, only be described as *terra incognita* in most EU Member States ⁽¹³⁾. There are only a few studies on children growing up in the context of domestic violence. Little research has been done into the opportunities for and obstacles to accessing help and support.

2.4.6.2 Surveys and research projects on children in the context of domestic violence should be carried out in all EU Member States. A coordinated approach would be sensible and necessary in order to ensure the comparability of methods and findings ⁽¹⁴⁾.

2.4.7 Promoting support for children as indirect victims of domestic violence

2.4.7.1 Whilst the availability of protection and support for women who are victims of domestic violence has improved considerably in recent years, there is as yet no support available for these women's children.

2.4.7.2 If these children are to be given effective support, it is essential to distinguish their indirect experience of violence as

⁽¹¹⁾ This is shown by the reports and information available on Ireland, Great Britain, Denmark, Sweden and Germany. A good overview of the current situation in Germany and some other Member States is provided by the *Handbuch Kinder und häusliche Gewalt* (Handbook on children and domestic violence) published by Barbara Kavemann and Ulrike Kreyszig (Wiesbaden, 2006).

⁽¹²⁾ See point 2.3.2 of the EESC opinion on *Domestic violence against women* (footnote 1).

⁽¹³⁾ Even in the recently (February 2006) published report *State of European research on the prevalence of interpersonal violence and its impact on health and human rights*, this issue is not mentioned in the chapter on *Violence against children and youth* ([http://www.cahrv.uni-osnabrueck.de/reddot/CAHRVreportPrevalence\(1\).pdf](http://www.cahrv.uni-osnabrueck.de/reddot/CAHRVreportPrevalence(1).pdf)).

⁽¹⁴⁾ For example within the framework of the DAPHNE programme or through a body such as the EU research network *Co-ordination Action on Human Rights Violations (CAHRV)*, whose job is to coordinate research into all forms of interpersonal violence in inter-gender and inter-generational relations and which is financed by the European Commission's Sixth Framework Programme (see www.cahrv.uni-osnabrueck.de).

witnesses of domestic violence from direct experience of violence through parental abuse, including sexual abuse. Although there is often overlap between these two areas, children indirectly affected by domestic violence should be considered as victims in their own right, for whom specific support must be developed and made available.

2.4.7.3 In cases of domestic violence, neither the abusive man nor the abused woman is able to adequately keep the children's situation in mind. Such children therefore need independent advice and support from state and non-state bodies. Arrangements in Sweden provide an example: Swedish children and young people under 18 have their own ombudsman ('Barnombudsmannen') who, among other things, has regular contact with children and young people to hear their views and opinions ⁽¹⁵⁾.

2.4.7.4 Very often, neighbours, friends of parents or relatives are witness to violence against children. An active stance on their part could help prevent many tragedies from occurring. In practice, however, they very rarely intervene to help children who are being abused. Overcoming such indifference requires a consistent approach and appropriate information campaigns that foster a positive attitude among potential witnesses of violence.

2.4.8 Improving cooperation between women's protection and child protection

2.4.8.1 The protection of women and their children from domestic violence would seem to be closely related. However, there are significant conflicts of interest between the protection and support of women on the one hand, and that of children on the other.

2.4.8.2 Women's refuges and advice centres on the one hand, and child protection bodies and youth services on the other, often maintain a wary distance from one another.

2.4.8.3 However, empirical results unambiguously point to the need for cooperation: if threats against and abuse of mothers is taken out of the picture, access and custody rulings may, even after separation from their violent partners, force women into repeated contact with them and thus lead to the endangerment and injury of women and children ⁽¹⁶⁾.

⁽¹⁵⁾ See also the speech by the current ombudsman on *Corporal Punishment of Children*, which also covers the situation of children who have witnessed domestic violence (English only) (<http://www.bo.se/files/in%20english,%20publikationer,%20pdf/corporal%20punishment%20of%20children060501.pdf>). Similar institutions now also exist in other countries; for more information, see the European Network of Ombudspersons for Children (ENOC): <http://www.ombudsnet.org/>

⁽¹⁶⁾ See, for example, M. Hester/l. Radford: *Domestic violence and child contact arrangements in England and Denmark*. Bristol 1994. 70 % of women whose children had contact with their father were again abused and/or threatened during visits or handover of the children, even after more than a year of separation; 55 % of children were abused during visits.

2.4.8.4 The aim of future strategies and arrangements must be to build good cooperation between women's refuges and advice centres on the one hand, and youth services, family courts, child protection centres and family advice centres on the other.

2.4.9 Taking better account of the domestic violence situation when settling access and custody rights

2.4.9.1 EU Member States' laws relating to childhood are largely based on the model of shared, cooperative parenting and the mother and father's shared responsibility for the child even after separation, and, as a logical consequence, on the child's prospect of an independent right of access to each parent.

2.4.9.2 However, in cases of domestic violence where one violent parent — usually over a prolonged period — has constantly disregarded the rights of his partner and child and subjected them to physical and psychological injury, the conditions stipulated in such laws on childhood, i.e. responsible and respectful partnership and the associated ability to separate conflicts between the couple from the parenting role are not being met.

2.4.9.3 Therefore, greater consideration needs to be given in family court proceedings to the risks associated with domestic violence than has been the case hitherto, in particular the high probability that the risk of violence will not end once the couple has separated. The protection and safety of women and children must be decisive factors in any ruling.

2.4.9.4 When weighing up the legal rights of women to protection and support, the protection and welfare of children, and the rights of men, protection from violence must always take precedence over the right to access.

2.4.10 Special needs: Children of abused migrant women

2.4.10.1 A proportion of cases of domestic violence affect women and children from migrant backgrounds, for whom separation from relatives, leaving the usual social environment where violence would not be tolerated, illegal residency, limited

language ability, difficult living conditions in their social milieu, etc. mean that they are more vulnerable.

2.4.10.2 Whilst domestic violence occurs, without exception, in all countries, cultures and social classes, the fact remains that women and children are especially vulnerable in those societies and cultures where gender inequality is greatest, gender-specific roles are most entrenched and cultural norms exist that support the rights of men over women.

2.4.10.3 Depending on residency status, the legal situation may place clear limits on what courses of action are available. This is particularly true of illegal immigrant women and their children.

2.4.10.4 Any intervention, assistance and support measures must therefore take account of the situation of migrant women and their children. In addition, specific campaigns to inform these groups of peoples and improve their safety should be carried out in conjunction with social stakeholders and civil society organisations.

2.4.11 Improving training and development for all professions working in the area of domestic violence

2.4.11.1 Taking children's interests into account requires a high degree of professionalism from all the relevant professional groups and in all areas of action, such as children and youth services, advice centres and refuges, agencies, schools, nursery schools and leisure facilities, health, police and courts.

2.4.12 Emphasising the importance of preventing domestic violence

2.4.12.1 Any ideas and measures that serve to prevent domestic violence against women have a knock-on effect on the situation of children in the context of domestic violence ⁽¹⁷⁾.

2.4.12.2 In addition, specific preventive measures need to be introduced regarding children as indirect victims of domestic violence. This includes information material for those working in the relevant fields.

Brussels, 14 December 2006.

The President
of the European Economic and Social Committee
Dimitris DIMITRIADIS

⁽¹⁷⁾ See EESC opinion on *Domestic violence against women*.

Opinion Of The European Economic and Social Committee on the Communication from the Commission — Towards an EU Strategy on the Rights of the Child

COM(2006) 367 final

(2006/C 325/16)

On 13 July 2006 the European Commission decided to consult the European Economic and Social Committee, under Article 262 of the Treaty establishing the European Community, on the abovementioned proposal.

The Section for Employment, Social Affairs and Citizenship, which was responsible for preparing the Committee's work on the subject, adopted its opinion on 7 November 2006. The rapporteur was Ms van Turnhout.

At its 431st plenary session, held on 13 and 14 December 2006 (meeting of 13 December 2006), the European Economic and Social Committee adopted the following opinion unanimously.

1. Executive summary

1.1 The European Economic and Social Committee welcomes the Communication from the Commission entitled *Towards an EU Strategy on the Rights of the Child*. In particular, the Committee supports the proposal to develop a comprehensive EU strategy to effectively promote and safeguard the rights of the child in the European Union's internal and external policies and to support Member States' efforts in this field.

1.2 The EESC regrets however that the Communication does not indicate that the strategy will commit to minimum standards and include comprehensive objectives with clear targets and timelines.

1.3 The EESC welcomes the proposed structures to be established to support this Strategy, including a Children's Rights Unit within the Commission and a Coordinator for the Rights of the Child; a Commission Inter-service Group; a European Forum for the Rights of the Child; a web-based discussion and work platform; activities to directly involve children in the process and a communication strategy on children's rights. The EESC will be seeking to play an active role in these important fora.

1.4 The Committee regrets that more attention is not paid to the situation of the girl-child, children with disabilities and migrant, asylum seeker and refugee children, both within the EU and in the global context.

1.5 The EESC welcomes the acknowledgement that Member States are bound to respect international treaties and calls for a greater emphasis in the Strategy on the need for Member States to implement with a sense of urgency their existing European and international commitments to children's rights, in particular

under the United Nations Convention on the Rights of the Child.

1.6 The EESC calls for the development of the Strategy to take into account the diversity of children and their varying needs, with a particular focus on issues of child poverty and discrimination. The EESC recommends that priority be given to the development of a set of comparable indicators and the collection of consistent data at Member State level. In particular, it calls for due consideration to be given to the issue of quality early education for children under six, and for the development of complementary qualitative targets for childcare and daycare services.

1.7 The EESC urges that sufficient status and political leverage be given to the Coordinator for the Rights of the Child to ensure that the aims of the office are achieved; and that political commitment be dedicated to progressing the Communication and developing the Green Paper and Strategy. The Committee suggests that the European Parliament consider establishing a specific measure to finance the Strategy and its proposed actions.

2. Background

2.1 Children's rights form part of the human rights that the EU and the Member States are bound to respect under international and European treaties, in particular the UNCRC and its Optional Protocols ⁽¹⁾, including also the Millennium Development Goals ⁽²⁾; and the European Convention on Human Rights ⁽³⁾ (ECHR). The EU explicitly recognised children's rights in the European Charter of Fundamental Rights ⁽⁴⁾, specifically in Article 24.

⁽¹⁾ UN Protocol to Prevent, Suppress and Punish Trafficking in Persons, especially Women and Children; UN Protocol to the Convention on the Rights of the Child on the sale of children, child prostitution and child pornography; Protocol to the Convention on the Rights of the Child on the involvement of children in armed conflict.

⁽²⁾ UN General Assembly, United Nations Millennium Declaration, Fifty-fifth session, 18 September 2000.

⁽³⁾ Full text available at <http://www.echr.council.int/ECHR/EN/Header/Basic+Texts>.

⁽⁴⁾ Charter of Fundamental Rights of the European Union (OJ C 364 of 18.12.2000), available at http://europa.eu.int/comm/justice_home/unit/charte/index_en.html.

2.2 The Commission identified children's rights as one of its main priorities in its Communication on Strategic Objectives 2005-2009: 'A particular priority must be effective protection of the rights of children, both against economic exploitation and all forms of abuse, with the Union acting as a beacon to the rest of the world' ⁽⁵⁾. In this context, the Group of Commissioners on Fundamental Rights, Non-discrimination and Equal Opportunities decided in April 2005 to launch a specific initiative to advance the promotion, protection and fulfilment of children's rights in the internal and external policies of the EU.

2.3 In March 2006, the European Council requested the Member States 'to take necessary measures to rapidly and significantly reduce child poverty, giving all children equal opportunities, regardless of their social background'.

2.4 This communication gives effect to these decisions.

3. General comment

3.1 The European Economic and Social Committee welcomes the Communication from the Commission entitled *Towards an EU Strategy on the Rights of the Child* — which focuses on all children under 18 years. The Committee supports this significant initiative by the Commission to lay the foundations for the development of policy on children's rights. In particular, the Committee highlights the Commission's proposal to establish a comprehensive EU strategy to effectively promote and safeguard the rights of the child in the European Union's internal and external policies and to support Member States' efforts in this field.

3.2 The destiny of Europe increasingly depends on its ability to foster societies that are inclusive and supportive of children. This Communication is a recognition that to promote and safeguard the rights of children is fundamental to the future of the European Union and that creating child friendly societies within the EU can not be separated from the need to further deepen and consolidate European integration. Children should be valued not only as future adults and workers but there is also a need to recognise childhood as an important and valuable part of life in its own right.

3.3 The EESC regrets the deadlock in the EU constitutional process given that the Constitutional Treaty and the Charter for Fundamental Rights explicitly recognise the rights of the child. As a consequence, the existing limited legal bases for children's rights in the EU Treaties have implications for possible budgetary sources.

⁽⁵⁾ Strategic objectives 2005-2009. Europe 2010: A Partnership for European Renewal, Prosperity, Solidarity and Security — COM(2005) 12, 26.1.2005.

3.4 In acknowledgement of the multitude of challenges for children and young people in today's society the EESC has regularly contributed over the past decade to youth policy development at Community level ⁽⁶⁾. It has initiated important debates on key areas, such as youth employment, social integration, education, mobility, participation and the role of NGOs.

3.5 The EESC welcomes the acknowledgment that it is vital that children's rights be separate and not simply subsumed into mainstream human rights. The EESC believes that children, due to their vulnerability and specific needs, require special safeguards and care, including appropriate legal protection.

3.6 The EESC urges that the Strategy acknowledge the important role of the family, and in particular the role of parents, and Member States' responsibility to assist parents in their child-rearing responsibilities in many ways, not only financially.

3.7 The EESC welcomes the adoption of a definition of children as all those below the age of eighteen years, in line with the UN Convention on the Rights of the Child (UNCRC). There will be a need for coherence and coordination between EU policies that target children between the ages of 15 and 18 year olds, as this age group also falls within the EU definition of youth. The Strategy should reiterate relevant targets contained in the European Youth Pact and the Open Method of Coordination on youth.

⁽⁶⁾ EESC opinion of 28.2.1996 on *European Cultural Policy for Children*. Rapporteur: Mr Sklavounos (OJ C 153 of 28.5.1996)
EESC opinion of 2.7.1998 on *Exploitation of children and sex tourism*. Rapporteur: Mr Sklavounos (OJ C 284 of 14.9.1998)
EESC opinion of 29.11.2000 on *White Paper: Youth Policy*. Rapporteur: Ms Hassett-van Turnhout (OJ C 116 of 20.4.2001)
EESC opinion of 24.4.2002 on *Proposal for a Decision of the European Parliament and of the Council establishing the European Year of Education through Sport 2004*. Rapporteur: Mr Koryfidis (OJ C 149 of 21.6.2002)
EESC opinion of 25.4.2002 on *European Commission White Paper — A New Impetus for European Youth*. Rapporteur: Mrs Hassett-van Turnhout (OJ C 149 of 21.6.2002)
EESC opinion of 24.9.2003 on *Proposal for a European Parliament and of the Council decision establishing a Community action programme to promote bodies active at European level in the field of youth*. Rapporteur: Mrs Hassett-van Turnhout (OJ C 10 of 14.1.2004)
EESC opinion of 16.12.2004 on *Relations between the generations*. Rapporteur: Mr Bloch-Lainé (OJ C 157 of 28.6.2005)
EESC opinion of 10.3.2005 on *Proposal for a Decision of the European Parliament and of the Council creating the Youth in Action programme for the period 2007-2013*. Rapporteur: Mr Rodríguez García-Caro (OJ C 234 of 22.9.2005)
EESC opinion of 11.5.2005 on *Proposal for a Regulation of the European Parliament and of the Council on medicinal products for paediatric use and amending Regulation (EEC) No 1768/92, Directive 2001/83/EC and Regulation (EC) No 726/2004*. Rapporteur: Mr Braghin (OJ C 267 of 27.10.2005)
EESC opinion of 14.12.2006 on *Children as indirect victims of domestic violence (own-initiative opinion)*. Rapporteur: Ms Heinisch.

3.8 The EESC urges the Commission to elaborate minimum standards and include comprehensive objectives with clear targets and timelines for the implementation of the Communication.

3.9 Europe needs children's ongoing commitment to help to build an integrated, competitive, safe and inclusive Europe. If the European Union is to mean anything to children, it must be relevant in their lives and show a clear interest in and respond visibly and creatively to their needs.

3.10 The EESC welcomes the Commission's acknowledgment of children's need to express their views in dialogues and decisions affecting their lives as outlined in Article 12 of the UNCRC. Any policy aimed at children must be characterised by the fundamental principle of participation with children: a principle that is reiterated at European and international level ⁽⁷⁾.

3.11 The EESC also welcomes the Commission's proposed activities to directly involve children in the process. The Member States and institutions must provide the necessary resources, supports and mechanisms to facilitate the participation of children in the development and implementation of the Strategy. Children should be involved from an early stage in the process and through a variety of age appropriate methodologies, for example, art work, facilitated discussions etc. It should be highlighted that a key challenge to this work will be the inclusion of children from disadvantaged and ethnic minority backgrounds and children with disabilities and ensuring equal opportunities for all such children.

3.12 A horizontal approach to the development of policy will ensure a more coordinated and effective strategy. Member States regularly consult with Employer and Trade Union organisations when developing policies such as employment guidelines. Equally success of this initiative will depend on the involvement of all parties concerned, in particular, children, children's organisations as well as parents, social partners, regional and local authorities and Member States.

3.13 Consequently, the EESC hopes that this Communication will lay the basis, both at the European and national level, for a more effective partnership between decision-makers, local and regional authorities, non-governmental organisations and children themselves. Real and continued involvement of children and children's organisations in the development and implementation of policies will ensure that children's actual needs are addressed and that children feel an ownership of the future Strategy.

⁽⁷⁾ United Nations Convention on the Rights of the Child, 1989; Declaration of the United Nations on the International Year of Youth 1985, 'Peace, Participation, Development'; European Charter on Participation of Young People in Municipal and Regional Life of the Congress of Local and Regional Authorities in Europe, 1992; Recommendation of the Committee of Ministers of the Council of Europe 'On youth participation and the future of Civil Society', Recommendation No R (97) 3 of 4 February 1997; Resolution of Council and Ministers for Youth meeting within the Council of 8 February 1999 (OJ 1999/C42/01).

3.14 Children are not an homogeneous group. The EESC recommends, therefore, that policies made at both the EU and Member State level should take into account the diversity of children and address their varying needs, for example, children may be impacted by their geographical location, age, gender, ethnicity, religion, culture, language, disability or family structure. Special attention will need to be paid to the impact of poverty, social exclusion, disability, discrimination and racism and the situation of ethnic minority and refugee children, both within the EU and in the global context.

3.15 The EESC welcomes the statement that 'the place where children are living also influences their situation'. Children may be disadvantaged due to inequitable access to services available in the area in which they live, such as access to quality education, healthcare, housing and accommodation, social services, public transport, play and recreation facilities; information and opportunities to participate in civil society. The EESC suggests that the Strategy include specific objectives to ensure that children in all geographical areas have equal opportunities; this will entail strengthening activities on tackling child poverty.

3.16 The Committee regrets that more attention is not paid to the situation of the girl-child, children with disabilities and migrant, asylum seeker and refugee children, both within the EU and in the global context.

3.17 In line with the Commission commitment to mainstream disability expressly confirmed in the 2003 European Action Plan on Equal Opportunities for people with disabilities ⁽⁸⁾, disability should be mainstreamed within the Strategy to ensure the full and equal participation and inclusion of children with disabilities.

3.18 The EESC supports the Commission on the Status of Women 2007 finding that 'while recognising that some progress in women's participation in decision-making at all levels has been achieved, expressed concern at the serious and persistent obstacles, *which are many and varied in nature*, that still hinder the advancement of women and their participation in decision-making, including feminisation of poverty, lack of equal access to health, education, training and employment, armed conflict and lack of security.' ⁽⁹⁾

3.19 The EESC is disappointed that no reference is made to the provision of quality 'early education and development' for children under six, despite childcare and daycare services being a

⁽⁸⁾ COM(2003) 650 final, Brussels 30.10.2003.

⁽⁹⁾ UN Economic and Social Council, Commission on the Status of Women 2007: focus on discrimination and violence against the girl child.

long-term and priority policy goal of the EU and the EU adoption of quantitative targets. The EESC urges the explicit inclusion of this area within the proposed Strategy since it has a major bearing on children's lives and well-being and clearly falls within the remit of the Communication⁽¹⁰⁾. In particular, the Committee urges the development of complementary qualitative targets for childcare services, that take account of children's rights and their best interests and that build on earlier work by the Council of Ministers and the EC Childcare Network⁽¹¹⁾.

3.20 The EESC welcomes the existing work of the European Union in relation to reducing child poverty. However, Member States need to step up to the challenge of eradicating child poverty and put immediate targets in place. Meeting this challenge will require a comprehensive, sustained and fully-resourced programme of action that addresses the multi-dimensional nature of child poverty. This should include a focus on supporting low income workers with children as well as those outside the employment net. Child poverty has a severe impact on children across a range of issues such as health, education and even a child's future 'life chances' of ever breaking out of the poverty trap. Member States need to immediately implement policies addressing the entire spectrum of these issues.

3.21 Another major challenge is the care of children without family care or at risk of losing it. Factors leading to such situations vary between countries but include family breakdown, poverty, HIV/AIDS, behavioural, addiction or parenting problems. The Strategy should contain an objective to establish clear prevention strategies and family support programmes.

3.22 Other challenges to Member States where it would be useful to include an objective and encourage learning from best practice include the areas of youth justice and family law; and the promotion of healthy eating to improve health and tackle childhood obesity; and the promotion of family friendly work policies.

3.23 Where children are placed in residential institutions action is needed to protect and promote their rights. The Strategy should commit to the drafting of European guidelines

⁽¹⁰⁾ The Communication's goal 'to establish a comprehensive EU strategy to effectively promote and safeguard the rights of the child in the EU's internal and external policies'; as well as Article 24 of this Charter of Fundamental Rights of the European Union, that 'in all actions relating to children, whether taken by public authorities or private institutions, the child's best interests must be a primary consideration'.

⁽¹¹⁾ The Recommendation on Child Care (92/241/EEC, approved 31 March 1992) adopted by the Council of Ministers in March 1992; and Quality Targets in services for young Children produced by the EC Childcare network and published by the European Commission in 1996.

and quality standards on children in care⁽¹²⁾, taking into account standards, recommendations and protocols proposed by international organisations such as UNICEF, WHO and the Council of Europe.

3.24 The EESC welcomes the recently published report of the independent expert, Paulo Sérgio Pinheiro, for the United Nations study on violence against children⁽¹³⁾. The report 'urges states to prohibit all forms of violence against children, in all settings, including all corporal punishment, harmful traditional practices — such as early and forced marriages, female genital mutilation and so-called honour crimes — sexual violence and torture and other cruel, inhuman or degrading treatment or punishment.'⁽¹⁴⁾ The EESC urges the Commission to consider the appointment of a Special Representative on Violence against Children in order to promote and support the implementation of the recommendations made in the report.

4. Children's rights at an EU level

4.1 The EESC welcomes the acknowledgement that Member States are bound to respect international treaties, in particular the United Nations Convention on the Rights of the Child (UNCRC) which has been ratified by each of the EU Member States. In fact on a global level only the USA and Somalia have not ratified the UNCRC. In this connection, the basic International Labour Organisation (ILO) conventions prohibiting child labour are also particularly important.

4.2 The EESC is disappointed that the Communication does not make a stronger statement on the need for Member State to implement with a sense of urgency their existing European and international commitments to children's rights, in particular under the United Nations Convention on the Rights of the Child. The EESC believes that much work remains to be done within the EU at Member State level to ensure compliance, at legislative and practice level, with existing commitments, for example under the UNCRC, the European Convention on Human Rights and the Council of Europe's instruments. This work should be integrated into the proposed assessment of the impact of existing EU actions affecting children's rights. In this field, it would be useful to draw on the opinions prepared every five years in all EU Member States by governments and NGOs on application of the UNCRC and the situation of children; a second analysis could also be undertaken.

⁽¹²⁾ This could possibly be done in cooperation with the Council of Europe, whose Parliamentary Assembly and Committee of Ministers adopted recommendations on children in residential institutions in 2005. See Recommendation N° R (2005) 5 of the Committee of Ministers to member states on the rights of children living in residential institutions.

⁽¹³⁾ www.violencestudy.org.

⁽¹⁴⁾ UN Sixty-first session, Promotion and protection of the rights of children, A/61/299.

4.3 The EESC welcomes the Commission's proposal to analyse the scope and causes of the barriers to children's full enjoyment of their rights. It will be important to not only 'assess the effectiveness of its existing action' but to facilitate an assessment of the progress of Member States in complying with the UNCRC, through comparative data analysis, as outlined in the Impact Assessment.

4.4 The EESC recommends that priority be given to the development of a set of comparable indicators and the collection of consistent data at Member State level. There is on-going work within the Open Method of Coordination to develop an indicator (or set of indicators) on child well-being, as well as statistical data on income related poverty, material deprivation and housing⁽¹⁵⁾. Many different datasets also exist at Member State level⁽¹⁶⁾. The development of indicators must reflect children's experiences and best interest, this can be achieved through facilitating children to be involved in defining indicators.

4.5 The EESC supports the Commission's proposal to mainstream children's rights when drafting EC legislative and non-legislative actions that may affect them. It will be important to identify key areas which have a substantial impact on children, including those not traditionally associated with children such as public transport but which, in fact, impact greatly on their lives.

4.6 The EESC recommends that the Open Method of Coordination be used as a mechanism for engagement between Member States and for learning from best practice in relation to the implementation of the UNCRC.

4.7 The EESC supports the Commission's proposal to host a European Forum for the Rights of the Child and to set up a web-based discussion and work platform. The Committee will be seeking to be an active member of this important Forum.

4.8 The EESC welcomes the short-term measures proposed in the Communication to tackle some urgent challenges. In addition to the measures outlined, the Committee highlights that there is an urgent need to develop a measure to enable transnational cooperation by police forces in relation to the checking of criminal records of staff and volunteers who work with children. The EESC urges the Strategy to consider the establishment of an EU register of convicted sex offenders against children which can be accessed by police forces.

4.9 The EESC welcomes the Commission's proposals to design a communication strategy on children's rights and to provide information on children's rights in a child-friendly manner. The Committee urges that these materials be based on the UNCRC and that all information campaigns be age appropriate, available in multiple languages and accessible to children with disabilities.

⁽¹⁵⁾ Portfolio of overarching indicators and streamlined social inclusion, pensions and health portfolios, June 2006.

⁽¹⁶⁾ For example: 'Opportunity for All: seventh annual Report 2005', Department for Work & Pensions, UK includes a wide range of child & youth indicators.

4.10 The EESC welcomes the Commission's proposal to set up a Commission Inter-service Group. The Committee will be seeking representation on this Group. The Committee welcomes the Commission's proposal to establish a Children's Rights Unit within the Commission and appoint a Coordinator for the Rights of the Child. The EESC notes the important role accorded to the Children's Rights Coordinator in ensuring the success of the Strategy.

4.11 The EESC urges that the necessary financial and human resources be provided for these new fora and structures; that sufficient status and political leverage be given to the Coordinator to ensure that the aims of the office are achieved; and that political commitment be dedicated to progressing the Communication and developing the Green Paper and Strategy. The Committee suggests that the European Parliament consider establishing a specific measure to finance the Strategy and its proposed actions.

4.12 The EESC welcomes the Commission's proposal to present a progress report every year. The Committee requests that it be consulted on the development of this report and that the report be made public.

5. Children's rights at an international level

5.1 The EESC welcomes the focus on both children within the EU and children living outside the EU. However, the EESC is disappointed to note that the sequencing of text appears to give prominence to the 'global situation' rather than the 'in the EU' situation and prominence to international dialogue over intra-state dialogue. The Committee recommends that a balance be achieved in the Strategy between the global situation and EU internal and intra-state actions and dialogue.

5.2 The European Union and its Member States should systematically take into account in bilateral agreements and relations with non-EU states the recommendations (Concluding Observations) of the UN Committee on the Rights of the Child.

5.3 The EESC welcomes the acknowledgement that the almost universal ratification worldwide of the UNCRC provides a particularly robust basis for engagement between the European Commission and non-EU countries; but regrets that the Communication did not build on the potential to use the ratification by all EU Member States of the UNCRC as a framework for engagement between Member States; and for learning from best practice.

5.4 The EESC recommends that EU development aid should provide for a percentage of its funding to be invested in interventions that benefit children.

6. Acknowledgements

6.1 As part of its process the EESC consulted with several children's networks and organisations and would like to thank them for their input ⁽¹⁷⁾.

7. Specific comments on terminology ⁽¹⁸⁾

7.1 The phrase 'sexual abuse' should be replaced by 'sexual exploitation'.

7.2 The term 'handicaps' should be replaced by 'impedes'.

7.3 The phrase 'break of adolescence' should be replaced with 'beginning of adolescence'.

7.4 The meaning of the phrase 'indoor pollution' needs to be clarified.

Brussels, 13 December 2006

The President
of the European Economic and Social Committee
Dimitris DIMITRIADIS

⁽¹⁷⁾ Eurochild, SOS Kinderdorf, World Association of Girl Scouts and Girl Guides (WAGGGS), European Information Bureau, Jaap Doek, Chairman of the UN Committee on the Rights of the Child and Thomas Coram Research Unit.

⁽¹⁸⁾ All references from Section I.4.1, COM(2006) 367 final.

Opinion of the European Economic and Social Committee on the Proposal for a Council Regulation amending Regulation (EC) No 2201/2003 as regards jurisdiction and introducing rules concerning applicable law in matrimonial matters

COM(2006) 399 final

(2006/C 325/17)

On 20 September 2006 the Council decided, in accordance with Article 262 of the Treaty establishing the European Community, to consult the European Economic and Social Committee on the abovementioned proposal.

The Section for Employment, Social Affairs and Citizenship, which was asked to prepare the Committee's work on the matter, adopted its opinion on 7 November 2006 (rapporteur working alone: Mr Retureau).

At its 431st plenary session of 13 and 14 December 2006 (meeting of 13 December), the European Economic and Social Committee adopted the following opinion by 108 votes to two, with one abstention.

1. Summary of the opinion

1.1 The Committee, consulted on the first initiative, basically approves the extension, through amendments, of the questions of jurisdiction and law applicable to Regulation No 2201/2003, thereby supplementing on these points a regulation which dealt with the recognition of legal decisions on matrimonial and childcare matters. It has already expressed its views — at the time of the Green Paper on Divorce — on legal jurisdiction and applicable law, and would refer to this highly detailed opinion ⁽¹⁾.

1.2 However, it wonders whether it is advisable to deal separately with the issue of distribution of jointly-held assets (buildings, furniture and other property rights), by widening the scope *rationae personae* of this distribution to unmarried couples (which may also have children in common).

1.3 Perhaps it would have been more logical to deal, on the one hand, with all the consequences of the dissolution of a marriage and of the custody of children in common in a complete Regulation No 2201/2003 and, on the other hand, with all the consequences of the separation of an unmarried couple living under a contractual or *de facto* arrangement in a new regulation. That would doubtless have improved clarity and understanding of applicable law and made it easier to accept the legal decisions which often regulate all the conditions and consequences of a divorce or separation in a single, final judgment.

2. Commission proposals

2.1 Two initiatives by the Commission concerning applicable law in matrimonial matters have just been submitted to the Council; one concerns the separation of married couples and proposes amendments to Regulation No 2201/2003, which came into force on 1 January 2005, while the other concerns the distribution of jointly-held assets, whether these be from the liquidation of a marriage settlement or a separation either of couples governed by a contract other than marriage or of *de facto* couples.

2.2 The legal basis of the proposal is Article 61(c) of the Treaty, which gives the Community powers to adopt measures

concerning legal cooperation in civil matters, as referred to in Article 65.

2.3 Speaking about these two initiatives, Commissioner Fratini declared: 'These initiatives will simplify life for couples in the EU They will increase legal certainty and enable couples to know which law will apply to their matrimonial property regime and their divorce. The aim is not to harmonise the national laws on divorce, which are very diverse, but to ensure legal certainty, flexibility and access to court'.

2.4 Because of the high divorce rate in the European Union, a considerable number of citizens each year are concerned by the issue of applicable law and jurisdiction in matrimonial matters.

2.5 The entry into force of Council Regulation (EC) No 2201/2003, which repealed and replaced Council Regulation (EC) No 1347/2000 from 1 March 2005, did not, however, include rules on applicable law. Council Regulation (EC) No 2201/2003 allows spouses to choose between several alternative grounds of jurisdiction. Once a matrimonial proceeding is brought before the courts of a Member State, the applicable law is determined on the basis of the national conflict-of-law rules of that State, which are based on very different criteria. The majority of Member States determine the applicable law on the basis of a scale of connecting factors that seek to ensure that the proceeding is governed by the legal order with which it has the closest connection. Other Member States apply systematically their domestic laws (*lex fori*) to matrimonial proceedings. Belgium allows spouses to choose between Belgian law and the law governing the foreign marriage.

3. General comments

3.1 The initiative examined in this opinion concerns the law applicable to divorce, legal separation or the annulment of an 'international' marriage (where couples are of different nationalities or of the same nationality but residing in a Member State other than their own), and to the custody of their joint minor children. It therefore concerns issues relating to the dissolution of the bond of marriage between spouses when an extraneous element is present, without exceeding the scope *rationae materiae* of Regulation No 2201/2003.

⁽¹⁾ EESC opinion of 29.9.2005 on the Green Paper on applicable law and jurisdiction in divorce matters, rapporteur: Mr Retureau (O) C 24 of 31.1.2006).

3.2 The EESC recognises that the proposal will guarantee citizens suitable solutions as regards legal certainty, predictability, flexibility and access to court. It is in accordance with the legal basis which is regularly applied to issues of civil and commercial law.

3.3 Certain national laws do not require the spouses to be of different sexes, unlike a majority of national legislations, but the EESC notes that the aim of the amended regulation is not to harmonise national laws but to determine the applicable law in all actual cases comprising an extraneous element and to enable the circulation of judgments without *exequatur*. So, even fundamental differences between national laws do not, in principle, prevent the application of the amended regulation proposed by the Commission.

3.4 The EESC has already issued an opinion on the law applicable to divorce on the occasion of the recent divorce Green Paper, and therefore refers primarily to this opinion to express its views on the present proposal. It would again stress the importance of the above-mentioned regulation for multinational couples, because it clarifies and simplifies the conditions of access to a judge and the free circulation of legal decisions in the internal market.

3.5 The EESC would point out that the proposal admits that two distinct situations arise depending on whether spouses agree or disagree as regards jurisdiction and applicable law, and that the amended regulation would grant major advantages and greater flexibility in the first case, but apply a rather mechanical model in the second. This differs from the situations envisaged by the Green Paper on divorce, which proposed more flexible solutions in the event of a disagreement between spouses. The EESC would have liked this flexibility concept to be maintained, although it recognises that the Commission proposal is simpler and prevents any lengthening of procedures.

3.6 The proposal allows the extension of jurisdiction if the plaintiffs agree on this point. It completely rules out the procedure of transfer, which the EESC could accept under certain conditions (jurisdiction of the first court petitioned to rule on the transfer, urgency of judgment), as it said in its opinion on the divorce Green Paper.

3.7 As regards the public policy exception, the proposal allows a judge, in exceptional cases, to refuse to recognise a foreign legal decision if it is manifestly contrary to the public policy of the forum. However, differences could occur between Member States, and a judgment recognised in one country may not be recognised in another, thus preventing freedom of circulation of the legal decision and creating an inappropriate obstacle.

3.8 The EESC feels that, as regards the recognition of judgments that may originate from non-EU countries in particular, it may well be worth specifying that judgments which seek to be recognised are obliged to comply with the European Convention for the Protection of Human Rights and Fundamental Freedoms, and with the Charter adopted in 2000 by the Nice Council, as well as with the principle of strict legal equality between spouses. Any state petitioned with a request for recognition and noting obvious divergences from the fundamental rights of the European Union should oppose circulation of the judgment on the grounds of 'exception for reasons of Community public policy'.

3.9 In order to guarantee uniform recognition throughout the Member States, no exception for reasons of national public policy should be allowed against another country; only an exception for reasons of Community public policy could be permitted. That would avoid any feeling of arbitrary treatment arising as regards a refusal of recognition from a given forum.

4. Specific comments

4.1 The fact that the Commission is presenting two separate initiatives is a consequence of the difference in the scope *rationae personae* of each of the proposals. The proposal on the distribution of assets concerns all couples, whether married or not.

4.2 However, one may well wonder why such a distinction has been proposed; the liquidation of a marriage calls for specific solutions depending on the nature of the rules governing it (legal rules in the absence of a marriage contract, or legal contractual arrangements) and of any gifts between spouses which may be covered by specific provisions compared with other gifts, particularly as regards inheritance.

4.3 Perhaps it would have been more logical to deal with all the consequences, including the financial ones, of a dissolution of a marriage and the custody of joint children in an expanded Regulation No 2201/2003 and draw up a new regulation to deal with all the consequences of the separation of couples who are not married, possibly of the same sex, and who live under a legal contractual arrangement (like the PACS in France) or a *de facto* arrangement (e.g. as a concubine).

4.4 That would undoubtedly have made the applicable law clearer and more understandable and made it easier to recognise the legal decisions which often regulate all the conditions and consequences of divorce or separation in a single judgment, especially as the situation of the children of 'non-typical' couples — and not just that of their assets — also has to be resolved.

Brussels, 13 December 2006.

The President
of the European Economic and Social Committee
Dimitris DIMITRIADIS

Opinion Of the European Economic and Social Committee on the Proposal for a Regulation of the European Parliament and of the Council on enhancing supply chain security

COM(2006) 79 final — 2006/0025 (COD)

(2006/C 325/18)

On Tuesday, 4 April 2006, the Council decided to consult the European Economic and Social Committee, under Article 80(2) of the Treaty establishing the European Community, on the abovementioned proposal.

The Section for Transport, Energy, Infrastructure and the Information Society, which was responsible for preparing the Committee's work on the subject, adopted its opinion on 10 November 2006. The rapporteur was Mr Simons.

At its 431st plenary session, held on 13 and 14 December 2006 (meeting of 13 December), the European Economic and Social Committee adopted the following opinion by 115 votes in favour, with one abstention:

1. Conclusions and recommendations

1.1 Following on from the security measures adopted in the aviation and maritime transport sectors, the Commission has drafted a regulation to enhance supply chain security on land. The provisions are to be mandatory for the Member States and voluntary for industry.

1.2 The Commission defines the supply chain as 'comprising all the transport and transport related operations and processes beginning at the production site and ending at the cargo's point of destination'. The Commission also indicates that the proposed regulation relates only to freight transport and that passenger transport may be addressed at a later stage if necessary.

1.3 The objective of the Commission's proposal is not only to increase the level of security along the supply chain, but also to establish a common framework for a systematic European approach to safety in this area, without jeopardising the common transport market and existing security measures. The aim is also to avoid unnecessary administrative procedures and burdens at European and national levels.

1.4 The Committee feels that, given the high degree of interdependence between the various inland freight transport modes (inland waterways, roads, rail and also pipelines), a coordinated approach is needed to making them secure, as the strength of the entire supply chain depends on its weakest link.

1.5 That said, however, any measures that are proposed must, with an eye to the Lisbon strategy, be effective and efficient, and must not result in more red tape and/or distortions of competition within or between the transport modes. The Committee has serious doubts as to whether these objectives will be attainable under the proposal for a regulation currently on the table. The entire approach seems highly bureaucratic. Moreover, the Committee cannot help feeling that the burdens involved in rolling out the proposed measures will be passed on to employers and workers in the sectors concerned. Accordingly, for this reason, the benefits associated with the status of 'secure operator' and its impact on the supply chain should be defined more closely in order to prevent the risk of serious distortions, which could lead to a rise in costs for the whole economy without any appropriate benefits being obtained.

1.6 In that connection, the Committee also notes the absence of any proposals for the adequate protection of physical infrastructure against terrorist attacks. Precisely because inland transport modes use infrastructure such as bridges, tunnels, viaducts and also the pipeline network, proposals to enhance supply chain security must also be accompanied by proposals for the more effective protection of the physical infrastructure.

1.7 The Committee feels that the Commission's proposal to make the Member States responsible for adopting security measures is correct. This also applies in principle to the establishment of a special authority in each Member State to coordinate, implement and monitor application of the supply chain security measures proposed in the draft regulation. However, the Committee feels that, given the key role of this special authority, the Commission's proposal is seriously lacking in detail.

1.8 In the framing of new security-related proposals, the Committee would have liked to see an inventory made of the characteristic features of the transport modes and due account taken both of security measures already in place for the individual freight transport modes and of existing recommendations on this front. The fact that the various transport modes have different traits — the road haulage sector, for instance, is made up of 500 000 mainly small businesses — means measures need to be put in place that are tailored to each specific mode.

1.9 Given the projected impact of the proposed measures on the individual transport modes, the Committee thinks the Commission proposal would have been more convincing had it been much clearer about the advantages operators are set to gain from the measures. As things stand, it is doubtful whether there will be any advantage to be gained at all, not least given the absence nowadays of systematic border controls in international transport.

1.10 Member States are to draw up the minimum security requirements to be met by operators under a 'secure operator' scheme. The Committee feels that such an arrangement is not calculated to secure the establishment of a harmonised system of minimum standards across the EU, and thus a level playing field.

1.11 The proposed measures are to be funded by the individual Member States. The Committee feels that, from a subsidiarity angle, that is the right approach. Security investment costs and ongoing related expenditure should be covered by the operators and, in the Committee's view, should be factored into the price or rate they charge. The Committee also thinks that the Commission proposal should pay more attention to the advantages to be gained from 'secure operator' status.

1.12 With regard to the European Commission's role, the Committee feels that the Union must free up adequate resources so that non-EU countries are also in a position to take the requisite action to attain the same level of security as the Member States. The Committee feels this is important given the international nature of inland freight transport.

2. Introduction

2.1 In its communication of 27 February 2006 to the Council, the European Parliament, the European Economic and Social Committee and the Committee of the Regions on enhancing supply chain security (COM(2006) 79 final), the Commission cites terrorism as one of the greatest threats to democracy and freedom.

2.2 The Commission believes that the risk of a terrorist attack targeting freight transport remains high, despite the tightened security measures that have been put in place. In Europe in particular, improvements have been made to aviation and airport security and to maritime and port terminal security.

2.3 Regulation (EC) No 2320/2002 establishes a European legal framework for aviation and airport security. Regulation (EC) No 725/2004 deals with maritime and port terminal security, while Directive 2005/65/EC lays down measures to improve security in the entire port area.

2.4 The Committee too has not been silent on these issues. It has adopted a number of opinions, not least in the fields of air and maritime transport. Rapporteurs have included Ms Bredima-Savopoulou on the security of ports, ships and port facilities, and Mr McDonogh on the security of (civil) aviation. The issue of inland transport was considered in the exploratory opinion on *Security of modes of transport* adopted on 14 December 2005 (rapporteur: Mr Simons).

3. Commission proposal

3.1 The Commission points to the need for enhanced security in land freight transport and notes the current absence of rules for the European land transport supply chain in its entirety. In this context, the Commission defines the supply chain as comprising all the transport and transport-related operations and processes beginning at the production site and ending at the cargo's point of destination.

3.2 The Commission proposes measures to enhance land transport supply chain security as a complement to existing

Community transport security rules. These measures are mandatory for the Member States and voluntary for supply chain operators. The Commission also notes that this proposal does not cover passenger transport security, in particular mass transport systems, which may be addressed at a later stage if necessary.

3.3 The freight transport modes covered by the draft regulation are thus internal waterways, rail and road.

3.4 Alongside the proposal for a regulation, the Commission is also submitting a communication listing the key freight transport security considerations and setting out the reasons why the draft regulation is deemed to be the most realistic and focused approach to enhancing the security of European freight transport.

3.5 The Commission's objectives as set out in the communication on enhancing supply chain security are as follows:

- to increase the level of security along the supply chain without impeding the free flow of trade;
- to establish a common framework for a systematic European approach without jeopardising the common transport market and existing security measures; and
- to avoid unnecessary administrative procedures and burdens at European and national levels.

3.6 The measures proposed by the Commission to achieve these objectives are as follows:

- to establish a mandatory system requiring Member States to create a security ('secure operator') quality label which can be awarded to operators in the supply chain meeting European minimum security levels, thus allowing mutual recognition of the label on the internal market;
- to introduce, within the mandatory provisions for the Member States, a voluntary scheme under which operators in the supply chain increase their security performance in exchange for incentives;
- to make operators in the supply chain explicitly responsible for their security performance in European freight transport;
- to allow 'secure operators' to benefit from facilitations where security controls are carried out and to distinguish themselves positively from other competitors in the area of security, giving them a commercial and competitive advantage; and
- to allow regular updating and upgrading of security requirements, including recognised international requirements and standards, through the committee procedure.

3.7 In this opinion, the Committee will seek to examine the measures proposed by the Commission and thereby assess the extent to which their intended objectives can, in fact, be achieved.

4. General comments

4.1 Before considering the actual content of the communication and the proposal for a regulation, it is important to be clear about the terminology to be used. The English version of the text, for instance, uses the term *security*. This is rendered in Dutch as *beveiliging* and in German as *Sicherheit*. Some EU languages make no distinction between the process of making secure (in Dutch: *beveiliging*) and the state of being secure (*veiligheid*). German, however, does make such a distinction, which is why, in the German-language version, the term *Sicherheit* (being secure) will have to be replaced by *Sicherung* (making secure), as the draft is, after all, about making the supply chain secure, rather than about its security *per se*.

4.2 The Commission feels that, with a European legal framework now in place for aviation and airport security and for maritime and port terminal security, the time has come to lay down rules for inland transport modes as well.

4.3 The Committee feels that the Commission has failed to take due account of the fact that, as it itself recognises, air and maritime transport modes are, by their very nature, completely different from inland waterway, rail and road transport modes. A feature of air and maritime transport is the limited number of operators. In contrast, a huge number (some 500 000) of small, frequently one-person businesses are active in the fields of inland water transport and freight transport by road, operating in a market with very small and often negative margins. If we include product manufacturers positioned at the very start of the supply chain, then the number of enterprises involved in the process rises to some 4.7 million. This is, in the Committee's view, a further obstacle to action along the lines proposed by the Commission.

4.4 The Commission considers — in the EESC's view rightly — that it is virtually impossible in practice to establish, in a single all-embracing operation, security rules and measures for the land transport supply chain. Instead, the Commission believes it is more realistic to establish a framework of minimum security requirements capable of ensuring satisfactory security levels in an operational environment in line with technological progress and risk developments.

4.5 A chain is as strong or as weak as its weakest link. This is also true of supply chain security. The Commission states that each operator or each link in the supply chain can be made responsible for the security of its own — but only its own — activities and that the individual security measures of the various operators add up to the security of the complete chain. The Committee also feels that each operator should take responsibility for his part of the supply chain. The Committee would point out that risk of terrorist attacks applies not only to individual links (that is to say individual operators), but also — or perhaps even to a much greater extent — to transfer installations and infrastructure.

4.6 In particular, the risks posed to the physical infrastructure that must be protected by public authorities in the Member States have, in the Committee's view, been grossly underestimated. The Committee feels there is no point in investing in the

security of individual links in the supply chain unless government investments are, at the same time, also made in a high level of security for the physical infrastructure.

4.7 Given the sheer number of businesses potentially affected by the proposal, the Commission feels that the intended measures can only be effective if each Member State designates one competent authority to coordinate, implement and monitor application of the supply chain security measures laid down in the draft regulation. Assuming that the proposal on the table is, in fact, the right one, the Committee feels that, on this point, given the key role of the competent authority concerned, the Commission draft is seriously lacking in detail.

4.8 To achieve a level playing field within the EU, the Committee feels it is important that 'secure operator' status should be subject to the same evaluation criteria in every Member State. To qualify for this status, a transporter from, say, Poland must comply with the same requirements as one from Portugal or Greece. That is the only way to facilitate the mutual recognition of 'secure operator' status. The Commission proposal still gives insufficient safeguards as to how this level playing field can be achieved. To be sure, the Commission has appended a list of minimum requirements that must be met, but the Committee feels that this fails to provide adequate safeguards to secure a level playing field.

4.9 The Commission's proposal comes at a time when, with the Lisbon strategy in mind, Member States are calling for a radical cut in red tape for loading and transport companies. However understandable the background to the Commission proposal may be, the administrative burdens involved in rolling out this regulation will be passed on to employers and workers in the sector concerned. The Committee feels that financial investment should also be forthcoming from public authorities at both national and international level.

4.10 Moreover, the proposal merely skims over the impact of the projected 'secure operator' quality certificate on employers and workers in the inland transport sector. Workers will have to be trained in how to act in various situations, while businesses will have to take all manner of high-cost security measures and it is doubtful whether they will be able to pass those costs on to consignor or final customer.

4.11 The Committee feels that the Commission proposal is not specific enough about the potential benefits of acquiring 'secure operator' status. This applies both to the practical application of those benefits and to their scope.

4.12 The Committee wonders whether, in framing this draft regulation, the Commission has been sufficiently aware of the measures already taken in the various sectors. To take just one area, for instance, albeit the most vulnerable, freight transport by road is covered by the European Agreement concerning the International Carriage of Dangerous Goods by Road (ADR), while the ADN provisions (on the transport of dangerous goods on the Rhine) apply to freight transport by inland waterway (see Article 1(10)). Similar agreements are in force for freight transport by rail. The Committee feels that it would, in the first instance, be advisable to consider whether, instead of

putting forward a proposal for a new regulation, it would not be just as effective to fine-tune the measures that are already in place. It is not clear whether the Commission has given this possibility any thought, but it should be taken into consideration, not least from the angle of cutting red tape.

4.13 The Commission also believes that, once a company has acquired the status of a secure operator, this will mean a substantial reduction in freight checks in ports and at border crossings. The Commission proposal, however, gives no guarantees that this will happen and makes no mention of any agreements in this regard. The Committee feels that, particularly in the light of the efforts that are to be expected of operators and individual companies, assurances must be given of the potential advantages to be gained by taking part in the scheme, not least since, as far as border waiting times are concerned, any potential benefits are negated by the fact that systematic checks at the internal borders are already a thing of the past.

4.14 The Committee would point out that the security measures must be such that they do not impinge on certain fundamental rights, such as the right to company or trade union representation, or pose a hindrance to people from outside the company who are involved on a temporary basis in its activities (e.g. loading and unloading).

4.15 The Committee would also draw attention to an issue arising in particular in the field of international road haulage. Parking areas are often deemed so unsafe that drivers no longer dare use them for overnight stops. This makes it difficult to comply with the rules on driving time and rest periods and increasingly compromises road safety. The Committee feels that much more investment is needed in making parking areas safe, especially those used by international road hauliers for overnight stops. The Committee would ask the Commission to consider this issue and submit proposals to boost safety.

5. Specific comments

5.1 Before examining the security-enhancing measures proposed by the Commission, we would do well to consider what security measures are already in place for individual inland transport modes.

5.2 The inland waterway transport sector frequently uses ports for loading and unloading. In such cases, the ISPS code (International Ship and Port Facility Security) already applies.

5.3 Traditionally, the railways have always had a culture in which the safety of staff and freight are of paramount importance. It would therefore be desirable to reinforce the principle of a flexible and precise risk assessment. When taking security measures, special consideration will have to be given to vulnerable locations such as stations and marshalling yards. The International Union of Railways (known by its French acronym UIC) will have to come up with some recommendations for security measures for international freight transport by rail.

5.4 The road freight transport sector, which includes both professional road haulage firms and own-account transporters, is in a very vulnerable position since it is made up of a huge number of mainly small and micro enterprises. The coordinating international organisation, the International Road Transport Union (IRU), has drawn up security guidelines for managers, drivers and consignors. The IRU has also devised a framework for voluntary cooperative arrangements with customs authorities.

5.5 The basic principles underlying the security guidelines mentioned in point 4.4 are as follows:

- security measures must not be so strict as to make normal business impossible;
- newly introduced security measures must be proportionate to their purpose, the costs involved and the consequences for traffic;
- unilateral measures by states are not acceptable;
- security measures must be readily understood and reasonable;
- in view of the international nature of transport, the security measures to be taken should be applied uniformly, proportionately and without discrimination, and with little or no disruption to the most efficient business flows.

5.6 The Committee would stress that pipelines too are vulnerable to security concerns. The Commission gives no consideration to this transport mode which, although it may be complex in terms of the security arrangements required, is nonetheless manageable given the small number of operators involved. The Committee thus recommends that additional consideration be given to the security of pipelines, which are not just a transport mode but infrastructure as well.

5.7 Subject the same proviso as in point 3.7 above, the Committee undoubtedly sees advantages to be gained in each Member State designating a single competent authority to coordinate, implement and monitor supply chain security, provided that this body is given not only the responsibility but also the appropriate powers to act. This is not explicitly mentioned in the draft regulation. The Committee recommends taking the opportunity afforded by the adoption of such a weighty legal instrument as a regulation to introduce more detailed provisions on this front so as to secure a uniform approach across the Member States.

5.8 The draft regulation proposes that Member States make provision for the central authority to award the status of 'secure operator' to operators involved a number of clearly defined supply-chain activities. 'Secure operator' status may be awarded for periods of three years, although this may be renewed where the secure operator concerned continues to meet the minimum requirements of the draft regulation. Once awarded the status of secure operator, the operator concerned should then be subject to less stringent security controls.

5.9 The Committee feels that picture painted here by the Commission is too rosy. The draft regulation is not clear about the establishment of a system involving a single competent authority for each Member State or about the procedure and criteria for awarding applicants 'secure operator' status.

5.10 It is only in the accompanying communication that we read that operators are required to meet certain minimum security standards. Under the 'secure operator' scheme, Member States are to decide for themselves what these minimum standards are to be. Such an arrangement, whereby each Member State sets its own requirements in this area, is not calculated to secure the establishment of a harmonised system of minimum standards across the EU. Quite the reverse: unless requirements are laid down as to the form and content of the minimum standards, the Committee fears the emergence of a non-comparable system. As already mentioned in point 3.8 above, the Committee is concerned as to whether the desired level playing field can be achieved in this way. The Committee recommends that the Commission give particular attention to the question of how to ensure that 'secure operator' status can be made to mean the same thing and carry the same weight in the different Member States.

5.11 The proposed system of mutual recognition of the status of 'secure operator' may well also result in inequality of treatment within the Union and thus, to a certain extent, in distortion of competition.

5.12 The Committee would point out that the meaning of the term 'secure operator' may vary from mode to mode. The rail market, for instance, is made up of a small number of large undertakings, while the road haulage sector consists of some 500 000 mainly small businesses.

5.13 The Committee is not convinced by the secure operator's benefits outlined in Article 6 of the Commission's draft regulation. Member States are to allow secure operators to benefit from facilitations and simplifications related to security control measures by being subject to so-called 'fast track treatment'. According to the Commission, that would include a reduced level of security controls. The Committee considers that

the wording used here is so vague and lacking in substance that it has serious doubts about the applicability of the text in practice.

5.14 It is clear from the context that the Member States will, in one way or another, have to fund the measures taken under the proposals. The Committee feels this places a major burden on the Member States. Clarification is needed of the areas of responsibility and of cooperation of the Member State and the 'secure operator'. The costs involved in setting up and maintaining a system such as that proposed by the Commission will be high given the disparate nature of the target groups concerned.

5.15 Obviously, Member State public authorities will cover the costs involved in framing and monitoring implementation of the rules. In addition, the European Union will have to free up resources to provide every kind of support to non-EU countries so that these too are able to attain the same level of security as the Member States. The Committee feels this is important given the international nature of inland freight transport.

5.16 The security investment costs as well as ongoing security-related expenditure in areas such as staffing, insurance and information measures should be covered by the operators taking the security measures concerned and should be factored into the prices or rates they charge. It must also be remembered in this regard that businesses awarded 'secure operator' status should be subject to lower insurance premiums as a result. A question needing analysis is the possibility of a situation arising whereby 'secure operators' and other firms not having this status are offering their services on the transport market in parallel. This could lead to the emergence of one group of operators offering secure but more expensive services, and another which does not have to bear the cost of raising security standards and can thus offer its services more cheaply.

5.17 In recital 11, the Dutch version of the draft regulation uses the term 'gevestigd'. This is correct, but the Committee notes that some other language versions (e.g. Polish) speak of 'carrying on activities', which is something quite different.

Brussels, 13 December 2006.

The President
of the European Economic and Social Committee
Dimitris DIMITRIADIS

Opinion of the European Economic and Social Committee on the Communication from the Commission to the Council, the European Parliament, the European Economic and Social Committee and the Committee of the Regions: i2010 eGovernment Action Plan — Accelerating eGovernment in Europe for the Benefit of All

COM(2006) 173 final

(2006/C 325/19)

On 25 April 2006 the European Commission decided to consult the European Economic and Social Committee, under Article 262 of the Treaty establishing the European Community, on the abovementioned proposal.

The Section for Transport, Energy, Infrastructure and the Information Society, which was responsible for preparing the EESC's work on the subject, adopted its opinion on 10 November 2006. The rapporteur was Mr Hernández Bataller.

At its 431st plenary session held on 13 and 14 December 2006 (meeting of 14 December), the European Economic and Social Committee adopted the following opinion by 114 votes to one with two abstentions.

1. Conclusions and recommendations

1.1 The EESC endorses the Action Plan presented by the Commission, because its implementation will mean public administrations in the EU promoting a knowledge-based economy which generates sustainable economic growth, in conjunction with a qualitative and quantitative improvement in employment and greater social cohesion.

1.2 The EESC considers that implementing the Action Plan could help to prevent the marginalisation — in both personal and employment terms — of different social groups and improve the quality and stability of employment, combat digital inequality, promote universal availability of local services, fully meet the needs of weaker groups and lastly improve social cohesion in the face of inequalities now being seen for the first time. The appropriate measures should be taken to prevent people becoming 'second-class citizens'.

1.3 Public authorities switching to digital services will have to modernise, by improving the quality, flexibility and quantity of the services they deliver, aiming for efficient use of public resources, cost-cutting, user satisfaction, coordination between public administrations and less bureaucracy.

1.4 The EESC strongly recommends establishing objectives intended to meet the criterion of full coverage as regards broadband access and to encourage use of the Internet as an information and communication tool. Public confidence in this tool will depend on the degree of security that can be guaranteed for its use, which will affect e-government and the services that this can deliver to the public.

1.5 The EESC regrets the fact that the Action Plan makes no reference at all to the role of organised civil society in achieving the goals of public participation in democratic decision-making. Organised civil society, as the lynchpin of participatory democracy, must play a key role in the 'digital democracy' of the future.

2. Commission proposal

2.1 With this document, the Commission presents its eGovernment Action Plan, an integral part of its i2010 initiative for jobs and growth in the information society, to make a major contribution to the Lisbon Agenda and other European Community policies.

2.2 It considers it important to accelerate eGovernment with a view to modernisation and innovation, since new needs and demands are arising, such as for seamless public services across borders to increase citizens' opportunities for mobility and for business in Europe.

2.3 With this Action Plan the Commission seeks to:

- accelerate the delivery of tangible benefits for all citizens and businesses;
- ensure that eGovernment at national level does not lead to new barriers on the single market due to fragmentation and lack of interoperability;
- extend the benefits of eGovernment at EU level by allowing economies of scale in Member States' initiatives and cooperating on common European challenges;
- ensure cooperation of all stakeholders in the EU in designing and delivering eGovernment.

2.4 The Action Plan focuses on five major objectives for eGovernment with specific objectives for 2010:

- advancing inclusion through eGovernment so that by 2010 all citizens benefit from trusted, innovative services and easy access for all.

This presents the challenge of fighting the digital divide and an opportunity for ICT-enabled inclusive policies, to enable all citizens, including socially disadvantaged groups, to fully benefit.

- making efficiency and effectiveness a reality, significantly contributing, by 2010, to high user satisfaction, transparency and accountability, a lighter administrative burden and efficiency gains.

To this end, the Commission hopes to establish a common impact/benefit-oriented measurement framework, which includes benchmarking using common indicators (measured nationally or by European-level action) and case-based learning using measurable indicators.

It also intends to communicate and share experiences much more, to ensure long-term sustainability.

- implementing high-impact key services for citizens and businesses, so that by 2010, 100 % of public procurement will be available electronically, with 50 % actual usage, with agreement on cooperation on further high-impact online citizen services, such as citizen mobility services (improved job search services across Europe, social security services relating to patient records and electronic health prescriptions, for example) or VAT refunding;
- putting key enablers in place that enable citizens and businesses to benefit, by 2010, from convenient, secure and interoperable authenticated access across Europe to public services, such as harmonised national ID cards or the creation of regulatory measures for the development of electronic identification and authentication for public services;
- demonstrating, by 2010, tools for effective public debate and participation in democratic decision-making, addressing many questions and concerns, from inclusion to the quality of decision-making.

3. General comments

3.1 Generally speaking, the Committee welcomes the Commission's Action Plan, which contains some objectives that are ambitious and which really must be achieved. The Committee agrees with the definition of its objectives and welcomes its political timeliness, because it will give a boost to the objectives set out in the Lisbon Strategy, to ensure that Europe becomes the most competitive and dynamic knowledge-based economy in the world.

3.2 The EESC reiterates ⁽¹⁾ that if the Lisbon objectives are to become realistically attainable, the European Union must offer a coherent, dynamic and progressive approach both in terms of

⁽¹⁾ EESC opinion on *Improving the implementation of the Lisbon Strategy*. OJ C 120 of 20.5.2005, pp. 79-88, adopted at the plenary session held on 27.10.2004. Rapporteur: Mr Vever; co-rapporteurs: Mr Ehnmark and Mr Simpson.

objectives for the Union and in terms of institutional dynamics. The boost given by e-government is, of course, a useful contribution to attaining these objectives.

3.3 Achieving universal broadband access is a priority and infrastructure must thus be improved in areas where demand is not being met, in order to ensure access to these services and to foster the use of broadband and mobile services.

3.4 Implementing the measures set out in the Action Plan at the different territorial levels and pooling these experiences will clearly have repercussions for the operation of the internal market, in particular as regards public contracts and those day-to-day aspects of EU citizenship that will enhance the European public's quality of life and wellbeing.

3.4.1 The Action Plan is concerned with the fundamental rights set out in the Charter of Fundamental Rights, such as 'good administration', the 'protection of personal data', 'the right of access to placement services', 'health care' and 'access to services of general interest'.

3.4.2 The EESC hopes that implementing the Action Plan's objectives will safeguard current levels of protection and prevent further technological development eroding protection of these rights.

3.5 A number of security measures are required, in order to increase public confidence in government. These measures must be proportionate, sufficient and in line with the cost, nature and importance of the data and the operations protected.

3.6 The EESC has already stated its views on the need for a European policy approach to network and information security ⁽²⁾, and considers that investment in improved network security generates social costs and benefits which are not adequately reflected in market prices.

3.7 The EESC will in the near future present a more detailed analysis of network security in the i2010 Action Plan ⁽³⁾.

3.8 Channels of 'cooperation' between the EU institutions and the public administrations in the Member States to ensure the Action Plan's future operability must be strengthened, by establishing appropriate channels that will also help to effectively evaluate results.

3.9 It would be useful to establish bodies for cooperation between different public administrations so that the public can access new services irrespective of which administration delivers them. This would also enable them to develop joint applications and to better integrate existing solutions.

⁽²⁾ EESC opinion on the Communication from the Commission to the Council, the European Parliament, the Economic and Social Committee and the Committee of the Regions on network and information security: proposal for a European policy approach. OJ C 48 of 21.2.2002, pp. 33-41, adopted at the plenary session held on 28.11.2001. Rapporteur: Mr Retureau. Point 3.2.1.3.11.

⁽³⁾ Draft opinion OJ C 318, 23.12.2006 (TEN/254). Rapporteur: Mr Pezzini.

3.10 The EESC reiterates the need for a boost to be given at European level to European public services⁽⁴⁾ (including customs, Galileo, the European health card and judicial cooperation in civil matters, such as the taking of evidence and the service of documents, and other new services such as the European vehicle registration and the European driving licence), thus bringing the different public administrations together in these sectors.

3.11 One of the Action Plan's shortcomings is the dearth of supranational economic instruments (IST, IDA) facilitating the human and technological exchanges it proposes. This matter is particularly pressing for the new Member States and those negotiating future EU membership.

3.12 Against this background and in order to avoid a situation of EU Member States progressing at different speeds on the matter of e-government, an ad hoc institutional initiative should first be drawn up, to consider the idea of setting up a fund for modernising these public administrations and the issue of differentiated legal treatment — with longer deadlines for implementation — to ensure that these administrations comply with the objectives set out in the Plan.

3.13 The EIB and the Commission should also consider economic instruments to boost the European economy in the context of implementing this Action Plan.

4. Specific comments

4.1 Increasing IT use throughout society is a challenge for development and competitiveness but also for social and territorial cohesion and equal opportunities. One of the inequalities that has the greatest impact on the future of individuals or regions is the 'digital divide'.

4.2 The priority must be to prevent, reduce or completely eradicate the 'digital divide'. This will require immediate and active policies to promote or provide digital services, especially in areas lagging behind in the new technological environment. In conjunction, intensive IT literacy programmes including vocational training should be provided for specific social groups.

4.3 The EESC considers that all the necessary infrastructure and resources, including human resources, should be put in place, managed, developed and maintained to support the work of the various public administrations on ICT training and capacity building, in order to develop an efficient organisation across the EU. This would help to promote and enhance digital literacy and to encourage Internet use.

4.3.1 Increasing digital literacy will require measures such as setting up and properly managing fully-equipped and fully operational class-rooms for teaching digital literacy courses, teacher training, aid for getting connected, or 'surfing' vouchers for successful students, which can be used to partially fund the

acquisition of and access to ICT goods and services, specifically the Internet.

4.3.2 ICT literacy content and services should be based on the design setting up and monitoring of training and support measures for Internet courses.

4.3.3 Support should be given to measures such as the development of 'virtual campuses' for average-level Internet users and the provision of multilingual educational content for this target group. Public administrations' digital services can promote linguistic diversity and language learning and foster multilingualism in the EU.

4.4 Public administrations' web portals should be brought into line with the highest internationally accepted standards for accessibility. Primarily, this means adhering to the highest Web Accessibility Initiative (WAI) standards, and also promoting all types of legislative, technological and organisational measure that make ICT accessible and public administrations throughout the European Union interoperable.

4.5 Breaking down the psychological barriers that sometimes divide people must go hand in hand with breaking down physical barriers. It is the EESC's view that access to both physical areas and communication systems and media and the legal recognition of sign language are crucial steps now being taken in this process of opening government up to everyone in Europe.

4.6 Transparency means promoting the free flow of information, guaranteeing objectivity, providing accurate and timely information and avoiding any possibility of lack of transparency in administrations' activities.

4.7 Relevant and up-to-date public information lies at the heart of the democratic relationship between government and the public at large. This is the only way in which people can know what government is doing, participate in decision-making and evaluate management and performance.

4.8 Ultimately, the issue is to channel all ICT potential into ensuring a better form of government that is more efficient and closer to the people and which delivers useful and high-quality digital services, bringing individuals and businesses into the information society.

4.9 The minimum that these measures should achieve, in all Member States and within a reasonable period of time, is to:

- guarantee the right of individuals and businesses to deal with public administrations electronically;
- establish mechanisms ensuring that online service supply meets demand, creating a comprehensive catalogue of the electronic services available;

⁽⁴⁾ Opinion OJ C 318, 23.12.2006, adopted at the plenary session held on 14.9.2006. Rapporteur: Mr Vever.

— guarantee the existence of appropriate channels for ensuring that individuals and businesses are able to make use of the services provided by public administrations.

4.10 In many cases, technological immersion will have to be provided for EU businesses, especially SMEs, by using 'technology development agents' to implement technical measures and provide specialist, tailor-made advice to the EU's business sectors, especially those lagging furthest behind as regards ICT, and by setting up 'technology development agencies', at national, regional and local level.

4.11 Measures of this nature must be backed up by other measures to disseminate these technologies, involving ICT training and capacity-building measures and incentives for SMEs to make use of high-quality Internet access and ICT in general.

4.12 Measures to boost ICT can help to integrate the EU's SMEs into the knowledge-based economy, by promoting the creation of innovative production environments, making business networks more dynamic and efficiently generating, pooling and transferring technology and knowledge.

4.13 Generating technological or management solutions relevant to the EU's production sectors can be given a tangible boost by: a) using benchmarking to evaluate the degree of ICT development in the various production sectors; b) establishing joint technology or process development centres (sectoral ICT solution clusters); c) creating service provision centres for SMEs in different production sectors, linking these to R+D and innovation in ICT (sectoral ICT workshops); d) boosting B2B and B2C business networks; e) boosting ICT risk-capital financing mechanisms and similar instruments; f) creating websites containing a list of services available to subscribing sectors and businesses; and g) setting up online digital forums and directories for SMEs.

4.14 Support should be given to the establishment of centres specialising in prevention, problem-solving, early recognition and proactive handling of security problems, as well as computer-security and ICT-related research, development and innovation, offering solutions specifically geared to EU businesses and administrations in order to build confidence in the network and to boost e-commerce and e-government.

4.15 Political parties and organised civil society are already able to communicate with the public rapidly and effectively, and

they call on their respective governments to adopt new measures to make the new communication media, in particular the Internet, a normal means of accessing and dealing with government, of participating directly in collective decision-making, of exercising political rights and, depending on the circumstances, even voting.

4.16 The EESC regrets the fact that the Action Plan makes no reference to the role of organised civil society in achieving its objectives, in particular that of improving democratic participation and decision-making in Europe.

4.17 The EESC intends to support, monitor and check, at European level, the initiative to promote inclusive access and to overcome the 'digital divide' and technological lag that can prevent the introduction of e-government in some sectors of society.

4.18 To achieve this goal, reforms must be promoted to encourage the smooth flow of information, network communication and direct dialogue between the public and government, increasing social and democratic capital and enhancing common digital sites.

4.19 The quality of democracy depends largely on how well government works. Government must be modern and flexible and structured in line with the problems facing the public, in order to be able to anticipate and solve these problems. The workings of government must be transparent, to inspire public confidence in it and a sense of government being close to the people.

4.19.1 As an advocate of participatory democracy, the EESC considers that this participation promotes civic education, facilitates governance and improves the health of the political system.

4.19.2 The current state of the technology- and knowledge-based society and its development must be thoroughly assessed, using rigorous scientific and statistical analysis, paying particular attention to the technological immersion of authorities with special needs, in order to clearly determine what measures should be adopted to close the digital divide efficiently, contributing to the intensive use and application of ICT in European society at large and between authorities of this type in particular.

Brussels, 14 December 2006

The President
of the European Economic and Social Committee
Dimitris DIMITRIADIS

Opinion of the European Economic and Social Committee on the Proposal for a Directive of the European Parliament and of the Council amending Directive 2006/.../EC laying down technical requirements for inland waterway vessels

COM(2006) 646 final — 2006/0210 (COD)

(2006/C 325/20)

On 16 November 2006 the Council decided to consult the European Economic and Social Committee, under Article 95 of the Treaty establishing the European Community, on the abovementioned proposal.

On 25 October 2006 the Committee Bureau instructed the Section for Transport, Energy, Infrastructure and the Information Society to prepare the Committee's work on the subject.

Given the urgent nature of the work, the Committee appointed Mr Rusche as rapporteur-general at its 431st plenary session, held on 13 and 14 December 2006 (meeting of 13 December), and adopted the following opinion unanimously

1. Conclusions and recommendations

1.1 As it has already made clear in the past, the European Economic and Social Committee attaches great importance to harmonising technical requirements for inland waterway vessels.

1.2 As it noted in its opinion on Directive 2006/.../EC on technical requirements for inland waterway vessels, which is to be amended, the Rhine is the busiest waterway in the world. The conditions and technical requirements for this waterway are regularly updated by the Central Commission for Navigation on the Rhine (CCNR) in accordance with Article 22 of the Revised Convention for Rhine Navigation. The CCNR involves representatives of civil society, i.e. ship owners, trade unions, shipyards and suppliers, in the process of developing the relevant requirements by seeking the views of international non-governmental organisations.

1.3 To avoid distortions of competition and to ensure the required safety standard, the requirements developed in this way should as a matter of principle be incorporated into the provisions of Directive 2006/.../EC on technical requirements for inland waterway vessels.

1.4 If this is to happen soon, it is necessary, as the Commission is proposing, to adopt the amendments to Directive 2006/.../EC on technical requirements for inland waterway vessels.

1.5 In addition, the European Economic and Social Committee recommends that the committee established by the amendment of Directive 2006/.../EC grant the CCNR observer status so as to ensure coherent further development of the technical requirements.

2. The Commission proposal

2.1 The proposed directive is designed to ensure that, by way of a comitology procedure, the work of other international orga-

nisations, in particular that of the CCNR, can be taken into account more quickly and more easily when adapting the technical requirements for inland waterway vessels.

2.2 To facilitate this, it is proposed that procedural articles of the directive and of Annex II thereof be amended to allow for flexible adaptation of EU law to the requirements for obtaining an inland navigation certificate under Article 22 of the Revised Convention for Rhine Navigation.

3. General comments

3.1 The European Parliament has on several occasions made clear the importance it attaches to close cooperation between all international organisations responsible for inland waterway navigation. This is especially true of cooperation between the EU and the CCNR.

3.2 The Member States and the Commission believe that cooperation between the EU and the CCNR should be as effective and close as possible. Giving the CCNR observer status in the EU committee would be conducive to this aim. The committee can decide for itself on an appropriate way to involve the CCNR in its work.

3.3 The recitals of the proposal for a directive and Article 20 (1) of Directive 2006/.../EC on technical requirements for inland waterway vessels emphasise the important role of the CCNR and the need to harmonise EU and CCNR rules.

3.4 In view of this, granting the CCNR observer status in the committee is advisable. It is worth noting that the European Commission already has observer status at the CCNR and may, if it wishes, take part in the CCNR's technical committees.

Brussels, 13 December 2006.

The President
of the European Economic and Social Committee
Dimitris DIMITRIADIS

Opinion of the European Economic and Social Committee on the Proposal for a Regulation of the European Parliament and of the Council amending Council Regulation (EEC) No 3922/91 on the harmonisation of technical requirements and administrative procedures in the field of civil aviation

COM(2006) 645 final– 2006/0209 (COD)

(2006/C 325/21)

On 15 November 2006, the Council decided to consult the European Economic and Social Committee, under Article 71 of the Treaty establishing the European Community, on the abovementioned proposal.

On 21 November 2006, the Committee Bureau instructed the Section for Transport, Energy, Infrastructure and the Information Society to prepare the Committee's work on the subject.

Given the urgent nature of the work, the European Economic and Social Committee appointed Mr Simons as rapporteur-general at its 431st plenary session on 13 and 14 December 2006 (meeting of 13 December), and adopted the following opinion unanimously.

1. Conclusions and recommendations

1.1 The EESC agrees with the Commission's proposal for a regulation, insofar as the introduction of the 'regulatory procedure with scrutiny' will involve the co-legislators more fully in scrutinising executive acts.

1.2 In view of the urgent entry into force of the EU-OPS-Regulation (amended Regulation 3922/91), the Committee recommends the rapid adoption of the Commission's proposal.

2. Introduction

2.1 The Commission proposal aims to amend Council Regulation (EEC) No 3922/91 on the harmonisation of technical requirements and administrative procedures in the field of civil aviation ⁽¹⁾ to align it with Council Decision No 1999/468/EC of 28 June 1999 laying down the procedures for the exercise of implementing powers conferred on the Commission ⁽²⁾, as last amended by Council Decision No 2006/512/EC of 17 July 2006 ⁽³⁾.

2.2 Decision No 2006/512/EC introduced a new type of procedure for the exercise of implementing powers, the regulatory procedure with scrutiny.

2.3 The regulatory procedure with scrutiny must now be followed for measures of general scope which seek to amend non-essential elements of a basic instrument adopted in accordance with the procedure referred to in Article 251 of the Treaty, inter alia by deleting some of those elements or by supplementing the instrument by the addition of new non-essential elements.

2.4 In particular, this new regulatory procedure must be followed when the annexes to a basic instrument are deleted, amended or replaced or are adapted to scientific and technical progress. However, the standard regulatory procedure will still apply to cases where the Commission grants a Member State a derogation regarding the application of a basic instrument or its annexes.

2.5 Article 8(1), (3) and (4) and Article 11 of Regulation (EC) No 3922/91 authorise the Commission to delete, amend or adapt the common rules in Annex III using the regulatory procedure.

2.6 Therefore that Regulation should be amended to provide for the adoption of these implementing measures using the new regulatory procedure with scrutiny.

3. General comments

3.1 The Decision No 2006/512/EC lay down the procedures for the exercise of implementing powers conferred on the Commission. With this new decision a new comitology-procedure, the 'regulatory procedure with scrutiny' aimed at involving more closely both Council and Parliament in measures and decisions of 'quasi-legislative nature' taken by the Commission.

3.2 In fact, this new procedure is to be used when three conditions are fulfilled:

- the basic instrument has been adopted in accordance with the procedure in Article 251 EC
- the basic instrument provides for the adoption of measures of general scope
- and those measures are designed to amend non-essential elements of the basic instrument, inter alia, by deleting some of those elements or by supplementing the instrument by the addition of new non-essential elements.

⁽¹⁾ OJL 373, 31.12.1991, p. 4. Regulation last amended by Regulation

⁽²⁾ OJL 184, 17.7.1999, p. 23.

⁽³⁾ OJL 200, 22.7.2006, p. 11.

3.3 The Committee considers appropriate the Commission's proposal, since the introduction of the 'regulatory procedure with scrutiny' will involve the co-legislators more fully in scrutinising executive acts.

3.4 The Council Decision No 2006/512/EC applies as from the 23 July 2006 encompassing ongoing legislative procedures. This is the reason why the Commission proposes to complete the EU- OPS -Regulation with this proposal.

Brussels, 13 December 2006

3.5 In view of the urgent entry into force of the EU-OPS-Regulation (amended Regulation 3922/91), the Committee recommends the rapid adoption of the Commission's proposal.

4. **Specific comments**

None.

The President
of the European Economic and Social Committee
Dimitris DIMITRIADIS
