

FOOD RETAILING IN EUROPE – POST 1992

PROJECT II
THE COCA-COLA RETAILING RESEARCH GROUP
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GROCERY RETAILING AND 1992

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GROCERY RETAILING AND 1992

INTRODUCTION

This Paper concerns itself with two questions. Firstly, exactly what is the 1992 programme? Secondly, what effect will "1992" have on the grocery trade in Europe? Trade in food products between the countries of Europe, if compared with many other items, has always been fairly limited. This can probably be attributed as much to national differences of culture and of taste as to barriers to the free movement of goods. What, therefore, will "completion of the internal market" really mean for food retailers?

The following pages present some possible answers to these questions. They are not intended as a definitive and detailed guide to community food law or to other areas of EEC legislation. Rather, they explain the purpose and intent of the different strands of regulation and how they will impact on food retailers.

From the start, however, let it be stressed that the coming of the single market does not mean that the differences that currently exist between countries will disappear. The table on the following page indicates some of the variations to be found in the retailing scene at the present time, both overall and specifically in relation to grocery retailing. The table is as consistent as national statistics and national definitions will allow. Food has been defined in a generic sense to include drink, although tobacco sales and outlets have been excluded from the "food" categories wherever possible.

The West European Retail Market in 1988

	<u>Population</u> (mn)	<u>Retail Sales</u>		<u>Sales per person</u>		<u>Retail outlets</u>		<u>Persons per</u> <u>food outlet</u> No.	<u>Sales per</u> <u>food outlet</u> (ECU '000)
		<u>Total</u> (ECU bn)	<u>Food</u> (ECU bn)	<u>Total</u> (ECU)	<u>Food</u> (ECU)	<u>Total</u> ('000)	<u>Food</u> ('000)		
Belgium	9.9	34.8	16.9	3,519	1,708	113.7	35.4	279	562
Denmark	5.1	17.7	10.2	3,442	1,987	41.7	15.1	340	675
France	55.8	207.6	82.2	3,724	1,474	418.2	134.3	415	612
W. Germany	61.1	233.0	66.7	3,810	1,090	415.0	95.8	638	696
Greece	10.0	17.6	11.2	1,759	1,123	171.5	63.6	157	176
Ireland	3.5	7.1	3.2	2,017	907	31.5	11.5	308	278
Italy	57.4	182.3	100.4	3,176	1,749	871.3	312.0	184	322
Luxembourg	0.4	1.4	0.7	3,750	1,842	3.7	1.1	336	636
Netherlands	14.7	39.3	15.8	2,670	1,071	156.2	43.7	337	362
Portugal	10.2	18.8	11.1	1,838	1,083	97.5	45.0	227	247
Spain	38.9	81.9	41.9	2,107	1,076	540.0	268.5	145	156
UK	57.1	156.9	58.7	2,750	1,028	345.4	98.4	580	597
<u>Total</u>	324.1	998.4	419.0	3,081	1,293	3,205.7	1,124.4	288	373

Source: "Retailing in Europe" (1990), published by The Corporate Intelligence Group Ltd.

- Notes:
- (1) Estimates are for 1988 sales and have been adjusted to exclude motors and fuel.
 - (2) 'Food' in the above analysis includes drink but so far as is possible excludes tobacco.
 - (3) The number of outlets is based on the latest year for which data are available.
 - (4) ECU exchange rates have been taken as the Eurostat 1988 annual average.

Thus it can be seen that West Germany has the highest number of inhabitants per food outlet and - perhaps not surprisingly - the highest level of sales per food outlet. Denmark, on the other hand, has a very similar sales level per outlet, although it has on average little more than half the number of persons per food outlet. The difference between the two countries is to be found in terms of sales per person. In Denmark nearly 58 per cent of all retail sales expenditure involves food, whereas in West Germany, on the other hand, the corresponding proportion is only 29 per cent. The range of annual expenditure per person on food varies in fact from a low of 907 ECU in Ireland and 1,028 ECU in the UK to a high of 1,842 ECU in Luxembourg and 1,987 ECU in Denmark. From the point of view of market structure the actual number of food outlets varies from 1,100 in Luxembourg to 312,000 in Italy.

Moreover, when the organisation of retailing (in terms of types of outlet) and consumption habits are also taken into account, it has to be said that each country has its own, unique pattern. This uniqueness will not be changed overnight by the coming of the single market.

THE SINGLE MARKET

Its origin

"The nations of Europe are too circumscribed to give their people the prosperity made possible, and hence necessary, by modern conditions. They will need larger markets . . ."

"Prosperity and vital social progress will remain elusive until the nations of Europe form a federation or a 'European entity' which will forge them into a single economic unit . . ."

These observations were not made in some recent speech in Brussels. They were made almost fifty years ago by Jean Monnet, widely recognised as the founding father of The European Community. The concept of increasing European prosperity, through the creation of a single European economy founded on a common market, is therefore not new.

The Treaty of Rome, signed in 1957, which established the European Community, reiterated Jean Monnet's belief quite specifically in its opening lines.

"The Community shall have as its task, by establishing a common market and progressively approximating the economic policies of Member States, to promote throughout the Community a harmonious development of economic activities, a continuous and balanced expansion, an increase in stability, an accelerated raising of the standard of living and closer relations between the States belonging to it."

It is clear that the Treaty envisaged that the Community's prosperity and economic unity depended on the creation of a single integrated market. It therefore contained specific provisions for the free movement of people, goods, services and capital between the Member States.

This marked the beginning of a process of dismantling and removal of all barriers and obstacles which were blocking the desired free movements between Member States of the Community. Essentially - and perhaps contrary to popular belief - it is a process of massive de-regulation. It is a process which has been going on for the past thirty-odd years.

Its development

Progress towards the basic goal of a "common market" was much slower than originally envisaged or desired by the enthusiasts at the European Commission. Differences in national interests were hard to reconcile, a process made even more difficult with the addition of new members. Discussions became bogged down at the lowest levels of technical detail.

In 1985, frustrated by the delays, the Governments of the Community Member States called on the European Commission to formulate a new strategy, which was published in June of that year as the "White Paper on Completing the Internal Market". This seminal document is effectively a corporate plan for the Community during the eight year period 1985-1993. Its 279 measures (reduced from an initial 286) have to be agreed and adopted by each Member State in a programme aimed for completion by 31 December 1992.

Thus "1992" was born. It is essentially the child of the European Commission, given the blessing of all Member States, and its progress is going ahead through the legislative processes of the main European Community institutions. A brief summary of the nature of these may make it easier to understand exactly how the Single Market Programme is working.

How it is coming about

The Commission itself is the Community's "civil service". Its 17 Commissioners are appointed by the Member States, but their loyalties thereafter must be to the Community as a whole and not to their individual countries of origin. Divided currently into 23 Directorates, the Brussels-based Commission formulates Community policies, taking account of views held by outside experts, national governments and interest groups lobbying on whatever issue of policy is being determined.

Within its own specific area of responsibility, each Directorate General formulates policies and the proposals for those measures seen as necessary for attainment of the Community's objectives. However, this can rarely be done by one DG alone. For example, DG III (Internal Market and Industrial Affairs) is responsible, amongst many other things, for the free movement of goods. Its policies are therefore of central importance to DG XXIII (Enterprise Policy, Distributive Trades, Commerce, Tourism and Social Economy) which contains a

specialist section concerned with the retail sector. This Retail Trades Unit, working together with representatives of trade and governments, seeks to ensure that the interests of the sector are taken into account in the various EC policies, and to ensure that a geographical, structural and operational balance is maintained. Co-ordination and consultation between Directorates are therefore essential ingredients of policy formulation.

Policies formulated by the Commission must then be submitted to the European Parliament, currently in Strasbourg, for consultation. The 518 directly elected members of this Parliament cannot veto the Commission's proposals, but as an ultimate sanction they can pass a vote of censure compelling the Commission to resign.

Final decisions are made by the 12 strong Council of Ministers, which meets at the Commission in Brussels and is composed of politicians from the individual Member States, usually at senior minister level, who are brought in according to their particular interests. There are, for example, Councils of Ministers meeting regularly for Agriculture, Transport and Industry; they have the power to finally accept or reject Commission proposals as part of Community Law.

Once a policy has been formulated, discussed and finally approved by the Council, it is given legal status either as a Regulation or a Directive. Regulations have direct application in all Member States and do not have to be ratified by national legislatures to have a binding effect. If there is a difference between national law and a regulation, the regulation prevails. Directives, however, although binding on the Member States as to what is to be achieved by a specific time, leave the method of implementation to national governments. It is made effective through (a) the vigilance of the Commission and its representatives and (b) final recourse to the powers of the European Court of Justice, situated in Luxembourg (not to be confused with the European Court sitting in the Hague, which is not a Community institution).

There are, therefore, four main parts to the European Community's apparatus - the Commission (policy and implementation), the Parliament (political representation and consultation), the Council of Ministers (decision-making) and the Court (final legislative powers). They provide the framework within which the Single Market Programme is slowly but steadily coming into being.

The European Community was originally set up by the Treaty of Rome in 1957. The White Paper on the Single Market referred to above resulted in an important amendment to the founding treaty, ratified in 1987 as the Single European Act (SEA). This introduced the acceptability of majority voting at the level of the Council of Ministers; previously agreement on most issues had required unanimity and this change has made possible many of the proposals now going through under the Single Market Programme.

At the same time, the SEA also adopted the concept of "mutual recognition", whereby any Member State wishing to exclude something (a food product or a professional qualification for example) from its territory has to show good reason, ultimately at the European Court of Justice, why it should do so if and when that same thing is perfectly acceptable in another Member State. This new approach also has the effect of speeding up the process of harmonisation and "bringing together" which is at the root of the 1992 strategy, although in practical terms it does not mean instant acceptability everywhere for everything. Specific exclusions are allowed for reasons of health, fiscal supervision, fair trading and consumer protection, but these reasons are open to challenge and may be tested at the European Court of Justice in Luxembourg.

The make-up of the 1992 programme

The White Paper identified need for almost 300 specific legislative measures if all barriers to the completion of the internal market are to be removed. To some observers, legislation on this scale might appear excessive and simply bureaucratic self-indulgence on the part of the Community's civil servants.

Such a view would be mistaken. The Commission simply recognised that little would be achieved if barriers to the completion of the market are removed in one area, but left intact in another. What, for example, would be the progress toward free and unrestricted movement of goods between Member States if all restrictions on transport services were removed, but the Member States all maintained different vehicle standards? Or, going a stage further, if transport services are unrestricted and vehicle standards universally accepted, but insurance of the goods and vehicle not?

The White Paper therefore addressed a very wide range of different issues. Its proposals, however, were presented under only three main headings:

1. Measures to achieve the removal of physical barriers.
2. Measures to achieve the removal of technical barriers.
3. Measures to achieve the removal of fiscal barriers.

In some instances it is debatable into which category a particular measure should properly fall. Some serve more than one purpose. That is of little matter, however. The White Paper, by presenting its proposed measures in this manner made very clear, in a neat and tidy way, the intent of each measure.

These broad areas are of relevance to grocery retailing at a general level, much as they are to the rest of industry and commerce. Very few of the individual measures are targeted solely or even primarily at the retail sector, though in the case of food standards and packaging they do tend to have a fairly direct impact.

The 1992 Programme is principally concerned with the removal of barriers to the introduction of a common internal trading market within the Community. It also has, however, another dimension in which the guiding principle is the preservation of rights for consumers and workers, together with the protection of honest traders and producers from cheating and unfair competition at all levels. This is an old preoccupation of the Commission and there are numerous measures now being formulated and introduced which run in parallel with those of the Single Market Programme as strictly defined. These measures cover such matters as : consumer protection, competition policy, health and safety, environmental policies and social policy - workers' rights.

Appendix A to this paper describes the Commission's perceptions of these issues and the thrust of the measures it is proposing.

1992 AND ITS EFFECTS ON GROCERY RETAILING

An overview

The previous pages have outlined the background to the 1992 programme. What immediate effects will the legislation proposed by the White Paper have on grocery retailing in the single market?

There can of course be no simple or single answer to that question. The table at the beginning of this document shows clearly that the pattern of food retailing is not uniform across the Community. In most of the northern Member States the food retailing sector has undergone a process of concentration, while in other countries this process is not so far advanced. These latter countries still contain a fairly fragmented retail sector, comprising a relatively large number of small grocery retailers, usually independently owned. Moreover, businesses throughout the Community have for long had to comply with the requirements of their national frameworks of regulation and control. In some Member States national legislation relating to health, safety, consumer protection, protection of the environment, employment, competition - all the areas which will be affected by 1992 legislation - is highly developed and rigorously enforced. In other Member States the regulatory regime is less well developed or exacting. The impact and the effects of the 1992 legislation on food retailing will therefore vary from Member State to Member State.

If, however, the question is rephrased to enquire "What longer-term effects will completion of the internal market have on grocery retailers?" then the answer might be more consistent. All the food retailing organisations will then be operating in the one enlarged market, facing the same opportunities and the same elements of competition.

It should be borne in mind that the 1992 legislative programme is not food retailing - or for that matter, general retailing - specific. It is addressed to all commerce and industry. Many of the key issues for retailers - such as permitted hours of opening, store siting, store size, traffic regulations and similar matters - will remain unaffected by the Commission's activities and still be controlled by local or national authorities. Stores will continue to serve the same markets and the same consumers whose needs will not change dramatically as the result of 1992.

Immediate implications

The 1992 food laws, whilst obviously of relevance to grocery retailers, will have their greatest impact at the production and processing end of the food chain. Those retail organisations which also produce their "own label" products, or have them manufactured to their own specification, may have to reformulate some of their recipes. But as retailers, their chief concern will be to ensure that what they sell complies with the new food regulations.

Essentially, the intent of the new laws are that food will be safe to eat, and that the consumer will be fully informed of what he or she is buying, not misled and not cheated. Accordingly, under the new laws certain additives are prohibited, materials which come in contact with food are regulated, and labelling of products are required to be explicit as to the contents, composition and "use by" date of the food bought. Additionally, consumers must be informed of the unit price being charged for goods weighed and measured and offered in "pre-pack" form.

In most of the Member States legislation of a similar nature is already in force. Therefore, although the legislation coming out of Brussels may differ from national laws in detail, it is not radically different in intent. For most retailers, therefore, the implication of the new food law is that they may have to make a "once off" adjustment in the composition of some of the things they sell, in the way they are packaged and in the way they are labelled. Having made these changes, supervision of compliance must of course continue, but in most countries that will mean a continuation of existing supervisory practice.

The direct effects of the food laws on retailers is therefore likely to be one of degree, depending on the stringency of their current national controls. For some retailers the effects may be inconvenient, but they are unlikely to have significant impact on their day to day operations.

Other legislative measures may have greater significance. The Commission's proposals concerning refrigerated foods, for example, may require many retailers to re-equip their stores with more effective freezer cabinets. Regulations for refrigerated trucks may also require those retailers who run their own distribution systems to change or modify their vehicles. This, for some large retail organisations, implies a major capital investment, but it

will vary from organisation to organisation and a five year period of transition is provided for. This again would be a "once off" effect of the legislative programme. Improvements in the workplace, called for by new legislation on safety, would largely be of a similar once-off nature.

Although the changes described above have been referred to as "one-off", their financial implications¹ may be longer lasting. The costs of funding the changes may affect operating margins, although, since the food retailers competing in a national market are likely to be affected similarly to a greater or lesser extent, they will have some discretion as to how much of the costs of change they absorb themselves.

There are, however, two areas in which legislation will have much longer lasting implications for grocery retailers. One is part of the 1992 programme and the other is not. The first, and considered essential to the completion of the market, concerns the approximation of VAT and excise duties. The second is the proposed "Social Charter".

The Commission is convinced that no real Single Market can exist until VAT rates and excise duties on wines, beer, spirits and tobacco, are harmonised throughout the Member States. The proposal for VAT is that two bands of rates should be created - a low band for necessities and a higher one for non essentials. A proposal has been put forward that food and drink (other than alcoholic beverages) would attract a VAT rate of between 4 per cent and 9 per cent, but no agreement has as yet been reached and the outcome is far from clear. This would, if adopted, clearly have opposite consequences for food retailers in, for example, the UK (VAT on food 0 per cent) and, say, Denmark (VAT on food 22 per cent). In the UK, food purchases would be likely to suffer, while in Denmark sales would benefit. Most divergent, however, are the current excise rates levied on alcoholic drinks and tobacco and once again the Commission is proposing an "approximated" rate for all Member States. The proposed rate for tobacco would reduce the price of cigarettes in the UK by over 10 per cent, while prices in France, Spain, Italy, Portugal and Greece would double. Similarly, proposed rates on drink would more than halve the price of beers and wines in Britain and increase them several times over in

¹ A future paper in this series will examine the financial costs of 1992 on the retail trade.

France. These proposals require unanimous agreement by all Member States for their adoption and given the great disparities which currently exist, early resolution of the problem cannot be expected. Undoubtedly some compromise will be reached in due course, but whatever is agreed is likely to affect sales of these products one way or the other.

The Commission's Social Charter is not yet at the detailed proposal stage but its outlines have been published in draft form. Greater detail is provided in Appendix A to this paper, but its particular significance for the retail sector is that the Social Charter addresses "basic rights for casual and part time workers" and equal pay for men and women. Basic rights would appear to include the right to paid holidays, paid sick leave and the other benefits normally reserved for full-time employees. The implications for the retail sector, often dependent on a large part time workforce, are clear. Equally clear is the consequence of equality of pay in a sector which has a high proportion of female employees.

Labour costs will increase significantly; this would not be a "once off" adjustment and will put pressure on operating margins. These proposals too require unanimity in Council, so some time may elapse before they emerge as directives. It is also probable that to make the proposals acceptable to all Member States, they will have to be modified substantially, but the Commission is unlikely to be deflected from its intent in the long run.

The Commission's measures concerning such issues as the free movement of capital, mutual recognition in some areas of insurance, mutual recognition of professional qualifications, and its proposal for a single system of patent registration do not affect food retailing in particular. But like all other businesses, retailers who have multi-market ambitions will find their plans less hindered by national regulations and red tape.

The longer-term implications

What other longer term effects might the 1992 programme have? The removal of physical and other barriers between the Member States is unlikely to generate a sudden rush of food retailing operations across national borders. The justifications for this forecast are set out below.

Even though the Community has adopted the philosophy of harmonisation to overcome national differences, post-1992 is not going to see the food stores of Europe full of harmonised Euro consumers. It is true that in all Member States there is a greater awareness of "healthy eating" and that fresh produce, health foods and organic products figure more prominently in food ranges. Convenience foods too are in growing use. Some convergence in attitudes towards food products is discernable, but national - and even regional - differences of culture, custom and taste will continue to make differing demands of retailers. Recognising these differences and learning to satisfy them is neither a quick nor inexpensive process, as many would-be international food retailers will testify.

Additionally, in most of the Member States concentration of food retailing has resulted in a relatively small number of very large retailing organisations (including retail companies, symbol group and co-operatives) dominating their national markets. Competition between them is intense, making entry into their markets by a new player difficult indeed.

The absence of barriers, whether physical, technical or fiscal, will not change these characteristics of the food retailing sectors of the Member States. Nonetheless, removal of constraints on the cross border movement of goods will not leave the food retailing sector unaffected. Indeed, in the longer term the consequences are likely to be far-reaching.

The volume of food sales in most Member States has shown little or no growth in recent years and, given current demographic trends, is unlikely to increase in the near to mid-term. Indeed, sales in volume terms may even be expected to fall as Europe's population ages. Only in the less prosperous areas of the Community is there prospect of volume growth in food consumption. Past routes to domestic growth through acquisition or merger are increasingly less available because of national cartel or monopoly regulations and further growth at the expense of the independent sector is unlikely to be significant. The large grocery retailer's only remaining path to volume growth in his domestic market lies through the capture of market share from major competitors. Consequently competition is likely to intensify.

Differentiation from competitors by offering a wider range and choice of products, fresher products and competitive prices, accompanied by better service will become even more important. The 1992 programme is unlikely to

have direct effect on service, although concepts of vocational training for employees outlined in the Social Charter may help in the longer term. The other factors in the competitive mix are likely to be more directly affected.

The Commission is determined to remove border controls on the movement of goods. Inspection is being removed away from frontiers and documentation simplified. Cross border transport will therefore be simpler, faster and hence cheaper. Additionally the Commission's de-regulation of road transport services means that "cabotage" - now limited - becomes possible in all Member States. A truck from Amsterdam, for example, making a delivery to Munich will be able to pick up a load there for, say, Hamburg, deliver it and carry another consignment from Hamburg back to Amsterdam. Some transport experts believe that about a third of all trucks now running on Europe's roads at any one time are empty because of current restrictions. Cabotage will reduce this proportion significantly and reduce transport costs yet further.

With the removal of barriers and with lower freight costs, retailers will be able to extend their sourcing horizons. Products from other Member States, which formerly were excluded either on technical grounds or because of high transport costs, will become commercially viable additions to the stores food ranges. Cross border supply relationships will multiply when the single market is completed, bringing change to the food manufacturers as well as to the retailers.

Europe's food industry is highly fragmented and currently over 75 per cent of processed food output is consumed within its country of manufacture. Only some four or five European food manufacturers have Pan-European operations while the majority of the others serve one or two national markets only. Consequently the manufacturers have generally remained as small to medium sized companies while within their national boundaries their retailer customers have coalesced into larger and larger dominant groups wielding purchasing power sufficient to demand and receive high discounts and additional services in the distribution, merchandising and advertising of the products.

In some respects the manufacturer might be considered a captive of the big retail chains and, indeed, if the processing company does not itself own a major brand and is only a processor of products under the retailer's "own label", the process is virtually complete.

The opening of international borders, shortened journey times and reduction in costs of transportation, may lead manufacturers/processors to seek to escape from dependence on a narrow customer base by offering their products and processing services further afield. The large retail organisations, themselves under intensifying competition will be seeking new and possibly less expensive sources of supply. Traditional supply relationships are therefore likely to come under review and new ones will be formed. With former obstacles removed, many of these will be across national borders.

Even the largest manufacturers may find themselves affected by this development. In the past they have established plants in many of the Member States to serve national markets. Protected by the "physical and technical barriers" these factories have not had to compete with each other and have been able to maintain different price structures in each market they serve. With many of the former barriers removed, retailers may in future place their orders at the manufacturer's "lowest cost" factory, leading either to a crumbling of existing price differences or to parallel importing by retail groups.

Such developments, of course, are not likely to go unresisted by the international brand manufacturers. However, the recent emergence of buying consortia wielding the collective buying power of two, three or four retailers, each of which is amongst the market leaders in its own national market, may make effective resistance difficult. No matter how heavily a brand may be advertised and whatever its market strength, access to the major retailers' shelves is vital to the manufacturer. Moreover, under EC competition policy, discriminatory pricing and/or refusal to sell to a customer without valid, objective reason is prohibited.

The food retailers, whether in the form of individual companies, voluntary symbol groups, cooperatives or buying consortia are therefore likely to be sourcing a wider array of supplies from a much greater geographic area than hitherto, both to give their customers a greater choice of products and to be able to obtain better margins for themselves or to offer more competitive prices. The co-ordination of inventories, transport and "just in time" distribution and deliveries will become more complex, the more so as fresh and prepared convenience foods become more prominent in the retailers' product ranges. A very high order of skill in management of logistics will become an even more essential ingredient of successful retailing than perhaps it has been in the past. Information systems which provide real time analysis of what is

happening at every stage from the supplier's factory gate, through the intermediate warehouses and storage points to the cashiers' checkout points in the stores will therefore become of greater importance. It is likely, therefore, that one effect of the 1992 programme will be for greater management attention to be given to "back room" rather than "store front" operations.

As earlier noted the organisational and systems skills which will be called for will be of a very high order. They are also likely to be expensive as they are the same ones as all major commercial and industrial companies will be seeking in a labour market which, at least in the coming decade will be shrinking. Such costs will become all the more important if, as the result of re-sourcing of supplies and more aggressive buying policies, the costs of supply are contained. Management and administrative costs will figure much more prominently in the composition of the retailers' total costs, putting yet further emphasis on the need for management skill.

There is of course nothing new in this. All businesses depend for their success on good management and all of the successful retailers have it in good measure. However, it is not beyond conjecture that the future shift in emphasis from store management to logistics and systems management will lead to other, perhaps longer term, developments in the single market's food retailing industry.

Earlier, mention was made of the recent formation of buying consortia comprising major retailing organisations from several Member States. The members of these groups, anticipating the effects which 1992 will have, have already come together to exploit the opportunities presented by open borders and transport de-regulation. Combining their buying power to increase their strength in negotiating supply contracts is one obvious benefit. Utilising each company's particular expertise in the buying of different product groups is another. As one leading retailer has remarked - "Selling is easy. Sourcing and buying are the key to profits". The buying consortia members will benefit from this.

The manufacturers, processors and suppliers to the buying groups will be spread across the Community. Orders, schedules and deliveries from the plants to the individual members' national operations will have to be co-ordinated and their information systems - vital to logistic and inventory management - will have to be integrated, leading in time to greater sharing of expertise. Some members

of the consortia have their own production plants which undoubtedly will welcome the opportunity to extend their supply role beyond their parent company's stores. Other group members may seek, through the new association, to market some of their specially developed own brand products, suitably labelled and packaged, for other members of the consortium. Other opportunities for collaboration exist, such as sharing product development costs, joint funding of improved information systems and undoubtedly, over time, these will be exploited leading to greater intimacy between the organisations involved.

This will not happen overnight nor by 1992. It is inevitable that some problems will arise and not all marriages are made in Heaven. But it should be remembered that the organisations coming together in these groupings are not competitors. They have come together to obtain the benefits and economies of scale offered by the creation of the internal market, the *raison d'être* of "1992".

How far will the process go? As part of its competition policy Brussels recently agreed that mergers with a worldwide aggregate annual turnover in excess of ECU five billion would need its prior approval. In the context of the single market with food sales over ECU 400 billion a year, there is clearly scope for mergers to take place - well above the Commission's threshold - without raising questions of monopoly or market dominance, the more so as their operations would be multi-national and not concentrated in one Member State.

Is it too fanciful to forecast the same concentration of grocery retailing which has taken place in many national markets happening in the greater single market of the Community? By 2000? 2010? Later? Only time will tell.

IS THE 1992 TIMETABLE REALISTIC?

The previous pages have given a necessarily brief background to the Commission's planned legislative measures and the rationale for their introduction. Further detail, for convenience, is presented in Appendix B of the Regulations and Directives adopted as at late 1989, while Appendix C lists the Proposals currently under consideration. Even from this limited overview a number of features stand out.

Firstly, it is a remarkably cohesive programme with many of the measures in different areas of law supporting each other. As a result, when all the pieces are in place, Europe's internal frontiers, as far as EC citizens, goods, services and businesses are concerned, should have no greater significance than lines drawn on maps.

A second notable feature is that throughout the programme, safeguards have been inserted to protect the European consumers' health and safety, as well as providing protection from fraud whether in buying goods, services or financial instruments. Equally, provision has been made to protect businesses from unfair competition or distortions of trade which would disadvantage them. It is clear that all the players are to play on a level playing field.

Third - and probably the most immediate feature - is the sheer scale of the programme. But the scale of the objectives are also gigantic by any standards - the creation of a unified market containing 320 million people, the creation of a new unified economic entity and the creation of a body of law for the regulation of its affairs.

Will this all be done within the next three years? Will the market be completed by 1 January 1993? The answer must be "mostly" - but with heavy qualification.

The starting point from which progress towards completion of the single market can be measured must be the Commission's White Paper of June 1985. This outlined the Commission's planned programme for action to remove the remaining barriers and distortions in trade between Member States.

In its progress reports published during 1989 the Commission stated in June that over 90 per cent of the detailed proposals required by the White Paper had been tabled for discussion and approval by Parliament and the Council. Thus the Commission was well up with its programme. In September, reporting the progress of implementation, the Commission reported that just over half of the 1992 programme had been adopted or partially adopted by Council.

Thus the preparatory work was far ahead of the decision-making process. This is not surprising. "Proposing" is much the simpler task. "Disposing" requires the reconciliation of many differences of national sectoral and even individual interests - altogether a lengthier and more difficult task. The Commission report acknowledges the difference which the Council's adoption of majority voting has made to progress and comments that "the key proposal on the harmonisation of technical rules concerning machine safety was adopted within 12 months, whereas it had taken 70 months to adopt the first Directive on lawnmower noise."

This quotation from the Commission's report shows quite dramatically the speeding up of the programme. It also indicates clearly that, with only three years to its target date, the Council will have to reach its decisions more quickly.

It is also noteworthy that in the fields requiring Council unanimity, such as VAT, taxation and free movement of people, no measures of consequence have yet been approved. These matters are of central importance to the completion of the market and delay is of concern to the Commission. However, time remains for their resolution by 1992. Greater danger to completion of the market by the target date lies in the slow progress of implementation of the Commission's directives.

In September 1989 the Commission reported that under the White Paper Programme 100 directives, regulations, decisions or recommendations were in force. Directives accounted for most of these instruments and 68 had become applicable to date. It went on to state, however, that of these 68, only 6 had been incorporated in the legislation of all the Member States - and the most complex measures, i.e. capital movements, insurance etc, are due to enter into force in 1990.

Taking note of experience to date, it would appear that by the end of 1992 the Commission will have completed its part of the White Paper programme. The Council, if only under the pressure of its own 1992 propaganda, will not be far behind. Implementation and application of all the rules, however, looks set to take much longer, because of national administrations' slow rate of progress, and because of the many derogations permitted within the legislation adopted by the Council.

These derogations, granted to individual Member States and often for several years, are designed to give time to a Member State to overcome its individual "difficulties" in accommodating change resulting from a particular EC measure. It does not require great imagination to envisage that, as the 1992 deadline approaches and the pressure on decision-making grows, the number of derogations allowed is likely to increase.

It is probable, therefore, that the reality of the internal market will not materialise fully until some time after the middle of the decade. In the context of a process that began in 1957, a delay of two or three years is not material. The White Paper 1992 Programme will have achieved its objective of accelerating the completion of the Common Market.

This is not its only achievement. Through the generation of a new sense of urgency and by demonstrating determination to drive things along, the Community administration conveyed a clear message to commerce and industry throughout the Member States. There can be few companies anywhere in the Community who are not already incorporating "1992" into their thinking and planning.

New cross-border alliances have been formed already and many more will be created. New ways of doing business are now being examined and new markets explored. New strategies are being developed. Since it is so fundamental to the leading companies' thinking, it may well be argued that, in a very real sense, 1992 has already arrived.

APPENDIX A : THE AREAS OF LEGISLATION

Introduction

The White Paper addressed a very wide range of different issues. Its proposals, however, were presented under only three main headings:

1. Measures to achieve the removal of physical barriers.
2. Measures to achieve the removal of technical barriers.
3. Measures to achieve the removal of fiscal barriers.

In some instances it is debatable into which category a particular measure should properly fall. Some serve more than one purpose. That is of little matter, however. The White Paper, by presenting its proposed measures in this manner made it very clear, in a neat and tidy way, the intent of each measure. The areas they cover are discussed below.

1. THE REMOVAL OF PHYSICAL BARRIERS

A common customs tariff has already replaced individual national tariffs throughout the Community. Border checks, however, remain in force and are a substantial cause for delay and expense. 91 of the Single Market measures relate to the removal of these physical barriers to the free movement of both people and goods within the European Community.

1.1 Control of individuals

Frontier controls will remain, but the gradual harmonisation of tax levels (especially VAT) and increased co-ordination between national police and fiscal authorities should limit these controls to a simple matter of screening.

1.2 Control of Goods

Measures to remove national barriers to the movement of goods are partly a matter of simplified procedures (in particular the Single Administrative Document introduced at the beginning of 1988). There are still, however, individual controls and checks for numerous products, especially of animal

origin, and although these will be reduced they are unlikely to entirely disappear. The whole area of veterinary and phytosanitary regulation is proving one of the hardest to bring in line with the 1992 aim of having a standard acceptable across the Community. There may even be an increase in the frequency of spot checks made at distribution points within the separate national markets.

2. THE REMOVAL OF TECHNICAL BARRIERS

Technical barriers are not always visible and their removal is hampered by very wide national differences in what is or is not acceptable in individual markets or to individual governments. The Single Market Programme includes 191 measures to attempt improvements in this area.

2.1 The Free Movement of Goods

National rules concerned with aspects of health (human and animal) and safety will remain, but the Commission is trying to erect a series of agreed "frameworks" for basic standards, acceptable throughout the Community. National barriers to the free movement of goods that are not based on health and safety are then subjected to the test of "mutual recognition" (see above) and the intention is to reduce these dramatically. The European Court judgement on the Cassis de Dijon case was the landmark ruling in this area. This dispute began in 1978 when a German retailer wanted to import Creme de Cassis from France, but was blocked by the German Government on the grounds that the drink was not strong enough to be called a liqueur. The Court in Luxembourg subsequently decided that because Creme de Cassis was sold in France, did not harm the consumer (at least if taken in moderation) and was not overpriced, it could equally well be sold in Germany. From this domestic dispute arose a legal principle that is now central to the establishment of a single market.

The "framework" Directives covering labelling, additives and packaging are particularly important for the food sector. These are guided by the simple principle that a food should be safe to eat and that the consumer is fully informed as to what it contains and by when it should be used.

2.2 Free Movement of Labour and the Professions

This has long been held up by the power of professional lobbies in individual countries. It took 17 years, for example, to set up Community legislation enabling appropriately qualified architects to practice in any Member State. There are 18 Single Market measures in this area and they also now depend upon the concept of "mutual recognition", with a considerable increase in speed of acceptance as a result.

2.3 Common Market for Services

The White Paper contained 65 proposals for legislation in services, which are essentially treated no different from goods. This area is presented under three headings - financial services, transport and new technologies/services.

National governments are traditionally keen to protect their rights to legislate on the financial sector. The Commission's proposals therefore concentrate sensibly on establishing basic rules for the protection of investors and policy holders etc. The "mutual recognition" concept is only partly applicable to financial services (including insurance) and may not be much used in this area.

Transport is also a minefield of nationally protective rules and lobbies, but here the Commission is determined to sweep away as many barriers to free provision as possible. Road haulage permits and quotas are to be entirely abolished by 1992 and the practice of cabotage (hauliers registered in one country being able to do jobs within another) is to be allowed, even encouraged.

European co-ordination of rules on new technologies such as satellite broadcasting and EPOS systems is being attempted at a wider level than just within the 12 countries of the Community. Again, there has been an attempt to provide a "framework" of basically acceptable standards, but there remain many national differences, not least in TV advertising. The simple availability of the new media is likely to have more impact on harmonising the market than any regulations worked out by the Commission.

2.4 Capital Movements

The Commission's ultimate objective is the complete liberalisation of financial transactions, including free movement of cash and bank transfers. Again, improved technology is as much a spur to this trend as new rules and regulations, though national interests remain very powerful in this area. Fiscal policy will continue to be protected by individual governments long after 1992, even if there is increased collaboration and co-operation through the instruments of the Community.

2.5 Creation of suitable conditions for industrial co-operation

The Commission is trying to remove many of the barriers which result from national differences in company law. This is partly being attempted by the creation of common standards for the protection of shareholders and employees, but there is an interesting development in the idea for a European Company Statute. This would constitute a new legal form, which effectively creates a trans-national business entity, governed by Community law and automatically acceptable under all the national laws of each Member State. There is as yet no final agreement on the details, but such a European Company could have many advantages, particularly if it could operate a consolidated tax system.

A similar concept is being introduced into patent law, with a proposed single registration for trademarks, patents and even copyrights. If valid throughout the Community, such a system would both strengthen protection and also reduce the costs of obtaining it.

Taxation - both personal and corporate - is obviously an area where the Commission has to tread very cautiously and cannot expect a completely harmonious system to exist so long as there are national governments for each Member State. The Single Market Programme does however contain measures on the tax treatment of parent companies and their subsidiaries, on the taxation aspects of mergers and on the avoidance of double taxation.

2.6 Application of Community Law

Just because the Commission passes a piece of legislation does not mean it becomes immediately binding in all Community Member States. In the past, especially following the accession of the Southern European countries, the timetable for implementing many items of Community legislation has proved in practice almost infinitely elastic.

A new approach by the Commission is to threaten a stronger line against Member States who do not comply with its regulations, especially in regard to government aid which is held to distort free market competition. At the same time, many of the new laws recognise that certain measures cannot be introduced in all countries simultaneously and there are procedures for individual members to postpone full compliance, occasionally for as long as a decade. This is called "derogation" and is one reason why the Single Market Programme may be scheduled in principle for 1993, but in practice will take several years longer.

3. REMOVAL OF FISCAL BARRIERS

"No means exist of removing the frontier controls, and thus the frontiers, if there are significant tax and corresponding price differences between the Member States."

This extract from the White Paper states concisely why it has always been the Commission's intention to try and harmonise VAT and excise duties within the Community. But the very significant differences in these levels are a key part of national fiscal policy and will not be given up lightly. To remove all frontier checks without changing this situation would of course create distortion of trade and the likelihood of massive fraud.

There are some 30 measures targeted at this area, the two most important of which are (a) the establishment of harmonised VAT bands, with a central rate but permitted variations around it and (b) the setting up of a Community clearing house for VAT, enabling sales and purchases across borders to be treated in the same way as those within one country. Fierce argument persists on these measures, but their eventual implementation would bring about considerable changes in current price differentials and should also greatly simplify administrative procedures for all cross-border traders.

4. OTHER AREAS OF LEGISLATION

4.1 Consumer Protection

There remain many differences between Member States in the level of protection given to consumers, though a general trend towards the upgrading of their rights and representation has been continuing throughout the past two decades. The Commission has addressed itself particularly to the areas of product liability, misleading advertising, consumer credit, the price marking of goods and consumer safeguards for modern payment systems. There is also a proposal for an EC-wide obligation on all manufacturers and traders to market "safe" products.

4.2 Competition Policy

Existing European Community law in this area, based on Articles 85 and 86 of the original Treaty of Rome, is well defined in respect of the general principle of trying to ensure free and fair competition. With the removal of national barriers, however, the focus changes from needing to impose a general principle upon Member State governments into having to prevent the setting up of private sector restrictions that have the effect of limiting competition. The problem is particularly acute concerning mergers and acquisitions, where the totally free movement of commercial power could result in players in smaller markets being swallowed up by those from larger ones.

This is another area where few final agreements have so far occurred. One relatively far advanced proposal is for Community control over mergers and acquisitions that have a "Community dimension" (and fall above a minimum level of combined turnover). The important aspect of this is that it would be decided at the level of the Commission, thereby overriding any objections from national bodies responsible for the control of monopolies and cartels.

4.3 Health and Safety

There are a number of measures, including a "framework" directive, intended to cover basic standards of public safety, especially in the work place. Already adopted are a set of agreed responsibilities for both

employers and employees in respect of matters such as fire safety, lighting, manual handling of heavy goods and the use of visual display units. Further areas for legislation include the use of hazardous chemicals, biological agents and similar materials. Compliance should not cause significant extra costs and may even make it easier to introduce new working practices in different Member States.

4.4 Environmental Policies

There are over 100 directives already in force in this area, covering issues such as car emissions, water purity and noise levels. The Single Market Programme adds two important principles to what had hitherto been a rather piecemeal approach to the subject. These are: (a) preventative action must be taken against the destruction of the environment and (b) the polluter pays the bill. The Commission knows it has growing public support on these issues and will certainly be introducing many more directives.

4.5 Social Policy - Workers' Rights

The Commission has produced a draft Community Charter of Fundamental Social Rights and intends to seek a mandate to introduce legally binding standards based on its proposals in this area. Although the setting of wage levels is accepted by the Commission as being "a matter for Member States and the two sides of industry alone" - and that "it is not the task of the Community to fix a decent reference wage" - there are nonetheless proposals for the concept of "an equitable wage" and for basic rights being accorded to casual and part-time workers.

Related areas of interest to the Commission include: basic conditions of employment (working hours, paid leave, sick leave etc) ; equal treatment (and pay) for men and women ; procedures for the information and consultative rights available to employees, including equity sharing ; and minimum levels of health and safety protection at the workplace.

Although the Commission does not admit to wanting to determine employment and social policies at these detailed levels throughout all the Member States, it is undeniable that there is a strong European lobby for the establishment of firm minimum standards. Individual countries and industries - including very possibly the retail sector - will lobby against the universal implementation of what might be thought too idealistic a set of rules in this area, but it is equally likely that some form of Social Charter will be in place by the mid-1990s.

APPENDIX B

REGULATIONS AND DIRECTIVES ADOPTED

Below are the Regulations and Directives adopted as at late 1989. Regulations are designated by a number followed by the year of adoption (Reg xxx/87), while directives are noted by the year, followed by a number (Dir 88/xxx).

Adopted legislation is published in the Official Journal "L" series (OJ Lxxx), the numbering of which starts again (OJ L1) in each year.

<u>Subject</u>	<u>EEC Ref No.</u>	<u>Published</u>	<u>Date of Implementation</u>
<u>Food Content</u>			
Framework directive on food additives	Dir 89/107	OJ L40 of 1989	Dec 1992
Foodstuffs intended for particular nutritional uses	Dir 89/398	OJ L186 of 1989	May 1991
Flavourings	Dir 88/388	OJ L184 of 1988	July 1991
Extraction solvents	Dir 88/344	OJ L157 of 1988	June 1991
Preservatives	Dir 85/585	OJ L372 of 1985	Dec 1986
Anti-oxidants	Dir 87/55	OJ L24 of 1987	
Emulsifiers, stabilisers, thickeners and gelling agents	Dir 86/102	OJ L88 of 1986	Apr 1988
Amendment on emulsifiers	Dir 89/393	OJ 186 of 1989	Jan 1989
Coffee and chicory extracts	Dir 85/573	OJ 372 of 1985	Jan 1988
Preparation and marketing of liqueur wines	Reg 4252/88	OJ L373 of 1988	Sept 1989
<u>Food Packaging</u>			
Beverage containers	Dir 85/339	OJ L176 of 1985	July 1987
Quick frozen food	Dir 89/108	OJ L40 of 1989	Jan 1991
Materials and articles in contact with food-stuffs	Dir 89/109	OJ L40 of 1989	Jan 1992
Pre-packaged liquids	Dir 85/10	OJ L4 of 1985	Dec 1985

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<u>Subject</u>	<u>EEC Ref No.</u>	<u>Published</u>	<u>Date of Implementation</u>
Pre-packaged liquids (spirits and sparkling wine)	Dir 88/316	OJ L143 of 1988	June 1988
<u>Food Labelling</u>			
Approximation of national laws on labelling, presentation and advertising of foodstuffs for sale.	Dir 89/395	OJ L186 of 1989	Dec 1990 Dec 1992
Indication of alcoholic strength	Dir 86/197	OJ L144 of 1986	May 1989
Definition of spirit drinks	Reg 1576/89	OJ L160 of 1989	June 1989
Sparkling wines (quality marking) amendment	Reg 3309/85 Reg 2045/89	OJ L320 of 1985 OJ L202 of 1989	Sept 1989
Batch/Lot marking of foodstuffs	Dir 89/396	OJ L186 of 1989	June 1991
<u>Pricing</u>			
Prescribed quantities (amendment)	Dir 86/96	OJ L80 of 1986	
Prescribed quantities (amendment)	Dir 87/356	OJ L192 of 1987	June 1988
Unit pricing of foodstuffs	Dir 88/315	OJ L142 of 1988	June 1990
Unit pricing of non-food items	Dir 88/314	OJ L142 of 1988	June 1990
<u>Monitoring and Inspection of Foodstuffs</u>			
Monitoring of foodstuffs	Dir 85/591	OJ L372 of 1985	Dependent on other directives
Meat inspection (financing)	Dir 85/73	OJ L32 of 1985	June 1986
Health problems in intra-Community trade in meat products	Dir 88/658	OJ L382 of 1988	Apr 1989

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<u>Subject</u>	<u>EEC Ref No.</u>	<u>Published</u>	<u>Date of Implementation</u>
Intra-Community trade in fresh meat	Dir 88/288	OJ L124 of 1988	Jan 1989
Hygiene conditions in abattoirs	Dir 85/323 Dir 85/325	OJ L168 of 1985 OJ L168 of 1985	June 1986 June 1986
Heat treatment of meat	Dir 87/491	OJ L279 of 1987	Jan 1988
Official inspection of food	Dir 89/397	OJ L186 of 1989	June 1991
<u>Animal Health and Plant Protection</u>			
Antibiotic residues	Dir 86/469	OJ L275 of 1986	Dec 1988
Pesticide residues in fruit and vegetables	Dir 88/298	OJ L126 of 1988	Jan 1989
Hormones as growth promoters	Dir 85/649	OJ L382 of 1985	July 1987
Evaluation of additives in feeding stuffs	Dir 87/153	OJ L64 of 1987	Dec 87
Pesticide residues in feeding stuffs	Dir 87/519	OJ L304 of 1987	Dec 1990
Aflatoxin	Dir 86/354	OJ L212 of 1986	Dec 1988
<u>Miscellaneous (food)</u>			
Minced meat and similar	Dir 88/657	1989	
Hygiene standards for egg products	Dir 89/437	OJ L212 of 1989	Dec 1991
Designations used in marketing of milk and milk products	Reg 1898/87	OJ L182 of 1987	July 1987
Cocoa & chocolate products	Dir 89/344	OJ L142 of 1989	
Fruit juices	Dir 89/394	OJ L186 of 1989	June 1991
Jams, jellies and marmalades	Dir 88/593	OJ L318 of 1988	

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<u>Subject</u>	<u>EEC Ref No.</u>	<u>Published</u>	<u>Date of Implementation</u>
<u>Miscellaneous (non-food)</u>			
Gaseous emissions from commercial vehicles	Dir 88/77	OJ L384 of 1988	July 1988
Forklift trucks	Dir 86/663	1986	Jan 1989
Tyre tread depth	Dir 89/459	OJ L226 of 1989	Jan 1992
Units of metric measurement	Dir 89/336 Dir 89/619	OJ L139 of 1989 OJ L357 of 1989	
<u>Medicinal Products and Laboratory Practice</u>			
Placing on market of proprietary medicinal products	Dir 87/22	OJ L15 of 1987	July 1987
Tests on proprietary medicinal products	Dir 87/19	OJ L15 of 1987	July 1987
Proprietary products (amendment)	Dir 87/18	OJ L15 of 1987	July 1987
Inspection and verification of laboratory practice	Dir 88/320	OJ L145 of 1988	Jan 1989
Marketing of proprietary medicinal products (amendments to 3 Directives)	Dir 89/341 Dir 89/342 Dir 89/343	OJ L142 of 1989 OJ L142 of 1989 OJ L142 of 1989	
<u>Consumer Protection</u>			
Toy safety	Dir 88/378	OJ L187 of 1988	
Dangerous imitations	Dir 87/357	OJ L192 of 1987	
Consumer credit agreements	Dir 87/102	OJ L42 of 1987	Jan 1990
Product liability	Dir 85/374	OJ L210 of 1985	July 1988
Misleading advertising	Dir 84/450	OJ L250 of 1984	Oct 1986
Counterfeit goods	Reg 3842/86	OJ L357 of 1986	Jan 1988
Cosmetics (labelling provisions)	Dir 88/667	OJ L382 of 1988	Dec 1993

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<u>Subject</u>	<u>EEC Ref No.</u>	<u>Published</u>	<u>Date of Implementation</u>
Noise from household appliances	Dir 86/594	OJ L344 of 1986	Dec 1989
Lawnmower noise	Dir 88/180 Dir 88/181	OJ L81 of 1988 OJ L81 of 1988	July 1991 July 1991
Marketing and use of asbestos	Dir 85/610	OJ L375 of 1985	Dec 1987
Labelling of tobacco products	Dir 89/622	OJ L359 of 1989	Dec 1992

Health and Safety at Work

Framework directive on health hygiene and safety in the workplace	Dir 89/391	OJ L183 of 1989	
Minimum safety standards for machines (protection of workers)	Dir 89/392	OJ L183 of 1989	

Intellectual Property

Approximation of national trade mark law	Dir 89/104	OJ L40 of 1989	
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VAT and Excise Duties

18th VAT Directive (amending previous Directive)	Dir 89/465	OJ L226 of 1989	
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Company Law

Listing particulars for the admission of securities to Stock Exchange listings	Dir 87/345	OJ L185 of 1987	Jan 1990
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APPENDIX C

COMMISSION PROPOSALS

Presented below are Proposals submitted by the Commission and under consideration by the European Parliament and the Council of Ministers. The list is not comprehensive and includes only those Proposals which have direct relevance for grocery retailers.

Proposals are identified by their COM (Commission) number e.g. COM (89)/156. The figures denote the year in which the Proposal was issued and the serial number allotted to the Proposal. When submitted, the Proposals are published in the Official Journal 'C' Series (OJ Cxxx) the numbering of which starts again in each year.

<u>Subject</u>	<u>EEC Ref No.</u>	<u>Published</u>	<u>Date of Submission</u>
<u>Food Content</u>			
8th amendments to colourings	COM(85)474	OJ C278 of 1985	Sept 1985
Amended proposal	COM(88)132	OJ C111 of 1988	Apr 1988
Re-amended proposal	COM(89)217	OJ C135 of 1989	May 1989
Modified Starches	COM(84)726	OJ C31 of 1985	Jan 1985
<u>Food Packaging</u>			
Amendment to Dir 75/106 on prepackaged liquids	COM(88)750	OJ C31 of 1989	Dec 1988
<u>Food Labelling</u>			
Nutrition and fat content labelling	COM(88)485	OJ C282 of 1988	Oct 1988
Amended proposal	COM(89)420	OJ C296 of 1989	Aug 1989
Irradiation of foodstuffs	COM(88)654	OJ C336 of 1988	Dec 1988
Production and marketing of organic farm produce and foodstuffs (proposed Regulation)			Dec 1989
<u>Miscellaneous (food)</u>			
Pesticide residues (amendment)	COM(88)798	OJ C46 of 1989	Dec 1988

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<u>Subject</u>	<u>EEC Ref No.</u>	<u>Published</u>	<u>Date of Submission</u>
<u>Miscellaneous (food) cont'd</u>			
Amendment to Reg 1898/87 (milk products)	COM(86)222	OJ C32 of 1986	
Marketing of fish and fish products	COM(88)47	OJ C66 of 1988	Feb 1988
<u>Miscellaneous (non food)</u>			
Dimensions of refrigerated lorries	COM(87)220	OJ C148 of 1987	May 1987
Non-automatic weighing machines	COM(88)780	OJ C55 of 1989	Dec 1988
General product safety	COM(89)162	OJ C193 of 1989	May 1989
Calculation of interest rates on consumer credit	COM(88)201	OJ C155 of 1988	May 1988
Tar content of cigarettes	COM(87)720	OJ C48 of 1988	Feb 1988
Amended Proposal	COM(89)398	OJ C238 of 1989	Aug 1989
Advertising of tobacco products	COM(89)163	OJ C124 of 1989	1989
<u>Company Law</u>			
Structure of Public Limited Companies	COM(72)887 COM(83)185	OJ C240 of 1983	Aug 1983
Cross border mergers	COM(84)727	OJ C23 of 1985	Jan 1985
Separate accounts of branches of companies	COM(86)397 COM(88)153	OJ C203 of 1986 OJ C105 of 1988	July 1986 Apr 1988
Annual and consolidated accounts	COM(86)238	OJ C144 of 1986	May 1986
European company statute	COM(89)268	OJ C263 of 1989	Aug 1989
Complementary proposal on employee involvement	COM(89)263	OJ C263 of 1989	Aug 1989
Takeovers	COM(88)823	OJ C64 of 1989	Dec 1988

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<u>Subject</u>	<u>EEC Ref No.</u>	<u>Published</u>	<u>Date of Submission</u>
<u>Health & Safety at Work</u>			
Minimum safety standards at the workplace	COM(88)74	OJ C121 of 1988	Mar 1987
Personal protective equipment	COM(88)76	OJ C161 of 1988	Mar 1988
Visual Display Units Amended proposal	COM(88)77 COM(89)195	OJ C113 of 1989	1988 1989
Lifting of heavy loads and back injuries	COM(88)78	OJ C117 of 1988	Sept 1988
Mobile machines (approximation of laws)	COM(88)86	OJ C70 of 1988	
Protection of workers from biological agents at work	COM(89)404	OJ C218 of 1989	Aug 1989
<u>VAT and Excise Duties</u>			
Global communication	COM(87)320 COM(89)260	OJ C250 of 1987 OJ C? of 1989	Aug 1987
Common system of VAT - approximation of VAT	COM(87)321	OJ C250 of 1987	Aug 1987
VAT - elimination of fiscal frontiers	COM(87)322	OJ C252 of 1987	Aug 1987
VAT clearing mechanism	COM(87)323	OJ C250 of 1987	Aug 1987
Convergence of rates of VAT and excise duties	COM(87)324	OJ C250 of 1987	Aug 1987
Approximation of taxes on cigarettes	COM(87)326	OJ C251 of 1987	Aug 1987
Excise duty on alcoholic beverages and alcohol in other products	COM(87)328	OJ C250 of 1987	Aug 1987
Amendment	COM(89)527		1989