

and training of industrial manpower. Two of the issues on industrial financing are (a) barter-related or buy-back investment arrangements and (b) analyses and possible solutions to problems caused to industrial projects and programmes by currency fluctuations. Preparations are under way for a consultation meeting on industrial manpower training in 1981 and another one on industrial financing in 1982.

Commission of the European Communities (CEC) (Addendum 2)

PRIVATE INTERNATIONAL LAW^a

A. *International contracts*

1. The draft convention establishing uniform rules of conflict of laws in relation to contractual obligations was submitted by CEC to the Council of the European Communities (EC) on 17 March 1979. The Council then requested the governments of the Member States of EC to make their observations on the text. The text was finalised in April 1980 and is expected to be signed by the Member States of EC before the end of 1980.

B. *International payments*

2. A draft proposal for a directive on guarantees and indemnities aimed at harmonisation of the laws of the Member States of EC was presented to the governments of the Member States in 1980 for comment.

3. The Member States of EC are working on the harmonization of laws relating to:

The conditions applicable to the valid creation of a reservation of title in the sale of goods

The consequences of reservation of title in intra-community trade

The consequences of reservation of title in the bankruptcy/insolvency of the buyer before the purchase price has been paid in full

The group of governmental experts of the Member States met in October 1979 to continue their discussions.

PRODUCT LIABILITY

4. CEC submitted to the Council of EC a revised proposal for the harmonization of rules of producers' liability to personal injuries and damage to privately used property.

^a See A/CN.9/192, VII. Private International Law.

OTHER TOPICS OF INTERNATIONAL TRADE LAW^b

A. *Commercial agents*

5. CEC submitted to the Council of EC in January 1979 an amended proposal on the harmonization of the laws of the Member States of EC relating to the contract of commercial agency.

B. *Company law*

6. CEC submitted a revised proposal to the Council of EC on the creation of a new body of company law for cross-frontier mergers of European companies. It also includes rules on taxation and on the representation of employees in the European company.

7. CEC submitted to the Council of EC an amended proposal on a law relating to European Cooperation Grouping which is intended to enable co-operation to take place between firms established under the law of the various Member States of EC.

8. The competent Commission department of CEC completed the text of a proposal for a directive to co-ordinate national laws relating to links between enterprises and in particular to groups. The proposal was submitted to CEC for its approval in 1979.

9. CEC submitted to the Council of EC a second amended proposal on the harmonization of municipal rules on mergers of public limited liability companies incorporated in a single Member State of EC and certain analogous operations. The proposal was adopted by the Council on 9 October 1978. The Member States are given three years in which to enact implementing legislation.

10. CEC published a consultative document entitled "Employee participation and company structure in the European Community". The Economic and Social Committee of the EC gave its opinion on the document in February 1978. The document is now before the Legal Affairs Committee of the European Parliament.

11. CEC presented to the Council of EC an amended proposal on the harmonization of municipal rules on group accounts.

12. The amended proposal of CEC on the harmonization of municipal rules on annual accounts of limited liability companies was adopted by the Council of EC on 25 July 1978. The Member States of EC are given two years in which to enact implementing legislation.

13. CEC presented its proposal on the harmonization of municipal rules on the authorization of persons responsible for carrying out statutory audits of the annual accounts of limited liability companies to the Council of EC in April 1978. The Economic and Social Committee of EC and the European Parliament gave their opinions in April and May 1979 respectively. The competent Commission prepared an amended proposal for a directive which has been submitted to the Council of EC in December 1979.

^b See A/CN.9/192, X. Other Topics of International Trade Law.