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Report

drawn up on behalf of the Committee on Youth, Culture,
Education, Information and Sport

on a policy commensurate with new trends in
European television

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Or. It.

English Edition

On 6 July 1983, the Committee on Youth, Culture, Education, Information and Sport was authorized by the enlarged Bureau to draw up an own-initiative report on the interim report from the Commission of the European Communities to the European Parliament on realities and tendencies in the European television: perspectives and options (COM(83) 229 final).

At its meeting of 21 September 1983, the committee appointed Mr Arfé rapporteur.

(a) At its sitting of 25 January 1984, the European Parliament referred the motion for a resolution tabled by Mr Hahn and others on the creation of a European Fund for television programmes (Doc. 1-1219/83) to the Committee on Youth, Culture, Education, Information and Sport as the committee responsible and to the Committee on Budgets for an opinion.

(b) At its sitting of 25 January 1984, the European Parliament referred the motion for a resolution tabled by Mr Hahn and others on creating a common reception area for direct broadcasting by satellites in the EC and neighbouring states (Doc. 1-1220/83) to the Committee on Youth, Culture, Education, Information and Sport as the committee responsible and to the Political Affairs Committee and the Legal Affairs Committee for opinions.

(c) At its sitting of 13 February 1984, the European Parliament referred the motion for a resolution tabled by Mr Costanzo, Mr Del Duca and Mr Lima on radio and television coverage of the EP's proceedings (Doc. 1-1323/83) to the Committee on Youth, Culture, Education, Information and Sport as the committee responsible.

The committee considered the present motion for a resolution at its meetings of 25 and 26 January 1984 and at its meeting of 29 February 1984.

At this last meeting, this motion for a resolution was adopted by 13 votes to 2 with no abstentions.

The following committees have decided not to give opinions:

- the Committee on Budgets
- the Political Affairs Committee

- the Legal Affairs Committee.

The following took part in the vote: Mr Beumer, chairman; Mr Hahn, vice-chairman; Mr Arfé, rapporteur; Mr Alexiadis, Mr Bøgh, Mr Bord (deputizing for Mr Rolland), Mr Brok, Miss Brookes, Mr Davern (deputizing for Mr Geronimi),

Mr Hutton (deputizing for Mr Cottrell), Mr Marck (deputizing for Mr Pedini), Mr Nielsen (deputizing for Mr Bangemann), Mr Papapietro (deputizing for Mr Fanti), Mrs Viehoff and Mr Simmonds.

The report was tabled on 7 March 1984.

The deadline for tabling amendments to this report will be indicated in the draft agenda for the part-session at which it will be debated.

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The Committee on Youth, Culture, Education, Information and Sport hereby submits to the European Parliament the following motion for a resolution together with explanatory statement:

MOTION FOR A RESOLUTION

on a policy commensurate with new trends in European television

The European Parliament,

- having regard to the Treaty establishing the European Economic Community,
- having regard to its resolution of 12 March 1983 on radio and television broadcasting in the European Community (Doc. 1-1013/81)¹,
- having regard to the report on the promotion of film-making in the Community countries which was adopted on 10 October 1983 (Doc. 1-504/83)² and the report on stronger Community action in the cultural sector which was adopted on 18 November 1983 (Doc. 1-927/83)³,
- having regard to the interim report by the Commission of the European Communities on realities and tendencies in the European television: perspectives and options (COM(83) 229 final),
- having regard to the motion for a resolution tabled by Mr Hahn and others on the creation of a European Fund for television programmes (Doc. 1-1219/83),
- having regard to the motion for a resolution tabled by Mr Hahn and others on creating a common reception area for direct broadcasting by satellites in the EC and neighbouring states (Doc. 1-1220/83),
- having regard to the motion for a resolution tabled by Mr Costanzo, Mr Del Duca and Mr Lima on radio and television coverage of the EP's proceedings (Doc. 1-1323/83),
- having regard to the work of the Council of Europe on means of mass communication,
- having regard to the Canadian system of aid for the production of television programmes (see Annex 3 to the explanatory statement),

¹Hahn report - OJ No. C 87, 5 April 1982, p.10

²Pruvot report - OJ No. C 307, 14 November 1983, p.16

³Fanti report - OJ No. C 342, 19 December 1983, p.127

- having regard to the proposal for an information programme submitted to Parliament by the Committee on Youth, Culture, Education, Information and Sport (see Annex 2 to the explanatory statement),
 - whereas direct broadcasting by satellite (DBS) will be available in Europe as from 1986, together with the expensive cable networks on which the various Governments have already agreed,
 - having regard to the report of the Committee on Youth, Culture, Education, Information and Sport (Doc. 1-1541/83),
- A. accepting the principle it has already put forward (in the Hahn report) and that is now being adopted and presented by the Commission, of aid for and possible Community participation in a European television channel;
 - B. having regard to the impact of the speed of technological progress on all aspects of television as a result of new transmission techniques (optical-fibre cables, satellites) as manifested in the data provided in the Commission's interim report and contained in the documents annexed to the explanatory statement,
 - C. whereas such developments are bound to have a considerable impact on culture, economic life, social habits and consumer choices, as well as the entire television system,
 - D. whereas this inexorable trend towards the internationalization of television creates a need for sufficient political integration at Community level to allow timely action to be taken to prevent distortions and imbalances which could not easily be remedied subsequently,
 - E. whereas a European television channel should therefore be seen in the broader context of a European television policy covering legislation and rules, development of the television industry and the production of programmes,
 - F. whereas it has already expressed in a resolution the view, shared by the Commission in its interim report, that information on European policy and the workings of the Community institutions is inadequate and unsuited to the needs and interests of the citizens of Europe,
1. Expresses its warm appreciation to the Commission for its interim report :

I. The legal framework

2. Calls on the Commission and the Council to provide a reliable legal framework in which to implement the principles of the Treaty of Rome applicable to the subject, particularly the sectors covered by Title 3 (free movement of persons, services and capital) and with reference to Article 235;

3. Calls on the Commission to submit its promised 'Green Paper' interpreting the above-mentioned articles and the foreseeable consequences of implementing them;
4. Calls on the Commission and the Council to cooperate with each other and the Parliament to review national legislation to ensure that it is possible to coordinate the different systems as required. This could include:
 - (a) proposals to allocate transmission time between national, European and other productions;
 - (b) an anti-dumping policy for cinematographic products;
 - (c) a system of self-regulation of advertising covering duration and type of advertising;
 - (d) rules for the protection of children and young people, copyright and authors' rights;
 - (e) study of a combined system of public and private television broadcasting;

II. Technical and industrial cooperation

5. Calls on the Commission and the Council to encourage and support technical and industrial cooperation in order to enhance the position of the European industry on the world market and to unify the transmission systems unanimously adopted on 15 July 1983 by all EBU television authorities as an essential prerequisite for the production of multilingual European programmes and the achievement of improvements in the quantity and quality of services in the medium term given the prospect of a decrease in the cost of equipment;

III. A European television channel broadcast by satellite

6. Welcomes the fact that, in its interim report, the Commission describes as urgent the European Parliament's proposal (Doc. 1-1013/81) to set up, in close collaboration with the EBU, a television channel to be directly broadcast by satellite, and therefore calls on the Council to embark on the necessary negotiations with a view to creating the legal, political and material conditions for the establishment of such a channel;
7. Considers that the European Community should undertake to provide material assistance to help achieve this objective of the EBU for an initial period by:
 - leasing a satellite channel,

- making interpreters available and
 - providing technical assistance for live broadcasts from Strasbourg and Brussels;
8. Calls on the Commission and the Council to create the legal framework for the transmission of international programmes in Central Europe, thus following the example of the Scandinavian countries, which have already been allocated a common DBS reception area, a possibility which was rejected for Europe at the 1977 World Administrative Radio Conference (WARC);

IV. European production of programmes

9. Considers it necessary to develop a European programme policy providing for aid and participation at various levels;
10. As regards financial aid, calls on the Commission to study and propose to the Council, in consultation with television authorities, film producers, the EIB and other credit institutions in Europe:
- (a) the creation of a Community fund to assist the production of television programmes, and points to the Canadian system of public assistance for national television as an experiment worthy of consideration;
 - (b) the creation of Community infrastructures to provide credit facilities for the production and co-production of programmes in the countries of the Community;
 - (c) the promotion of cooperation between the Member States in implementing a series of tax exemptions harmonized to that end at Community level;
 - (d) the creation of a central data bank on television and film material available in Europe and promotion of a distribution organization for European films on European markets and all other world markets;
11. Considers that financial aid granted under a European audiovisual system, including both television and the cinema, should be in proportion to the programmes broadcast in the Member States;
12. Considers the creation of a European television channel - as referred to in paragraph 6 - to be of fundamental importance in developing the public's awareness of its own European identity,

- approves the support proposed by the Commission for a complete, multilingual schedule produced by a multinational editorial team in a European perspective aimed at all the citizens of the European Community;
13. Is aware of the need to promote a television information service originating in Europe:
- is convinced that a European programme exclusively concerned with information - along the lines of a programme that has existed for some time in the United States - could usefully be aimed at a relatively young public with an average to high level of education interested in international affairs;
 - it is also convinced that a programme such as that described in paragraph 12 could be integrated with a programme such as that described above instead of competing with it;
 - calls on the Commission to study and propose to Parliament and the Council means of helping to introduce a purely informational programme;
14. Considers, as regards Community financial assistance for such projects, produced by European television companies, that any such assistance should be aimed at creating a body with an independent professional structure - programming teams, an editorial team responsible for news, translation services and administrative staff - alongside a body composed of representatives of the national public television services, the governments of the countries involved, and the Community institutions represented at the highest level of authority. The principal task of the latter body would be to guarantee the independence of professional staff in all fields - political, economic or other - and to protect them from outside interference. It is to be hoped that this body would be presided over by the Community delegate;
15. Convinced that it would be desirable to have the benefit of receiving, at regular intervals, suggestions and proposals of various kinds from a variety of sources,
- recommends that a broadly-based consultative body be set up consisting of political, economic, cultural and religious representatives as well as representatives of ethnic language minorities, that could deliver an annual opinion on the information criteria of the programmes and their application;

16. As regards non-financial aid, calls on the Community institutions, particularly the Commission:
 - to draw up a statute for European television staff that protects and guarantees their autonomy and freedom of movement;
 - to set up a higher institute for a European training of television staff linked to the European University Institute in Florence as proposed at the meeting of Ministers of Culture in Athens on 28 November 1983;
17. Instructs its appropriate committees to follow the progress of the measures to be taken;
18. Calls on the Commission of the European Communities to inform the European Parliament, at six-monthly intervals, of the stage reached in its work on this subject;
19. Calls on the Commission and the Council to take the action proposed in this resolution in time for the necessary appropriations to be included in the Community budget for the 1985 financial year;
20. Instructs its President to forward this resolution to the Commission, the Council, the Governments of the Member States and, particularly the Ministers of Culture, the EBU and the Council of Europe.

EXPLANATORY STATEMENT

The report submitted to Parliament by the Commission as a result of the request made in the resolution adopted on 12 March 1982 (Hahn report) provides a full and thorough description supported by appraisals which although they cannot be anything but provisional in view of the rapidity of the events taking place already provide useful principles for assessing the terms of the problem and approaching it properly.

The facts necessary for the formulation of a Community policy in this sector may therefore be obtained from it.

Your rapporteur will recall briefly the facts to which our attention has been drawn.

The Commission's report:

- points out the enormous range and breakneck speed of technological progress and its consequences for the industrial sectors directly concerned, such as programme production, as well as the changes occurring, both in law but above all, in fact, in the organizational structures and legislation relating thereto in all countries of the Community;
- emphasizes how these developments could, where there is no other option, lead within five or ten years to the complete internationalization of European television;
- points out the great positive potential in that process including the potential for the consolidation of the cultural and political unity of Europe and in the autonomy of its many constituent parts, indicating at the same time its dangers;
- illustrates the urgent need for measures to be taken by the Community institutions to deal in good time with those factors which would become negative if, as there is a tendency, they were to become clearly and overwhelmingly predominant, i.e. purely national programmes addressed to other countries, programmes originating from countries on the basis of a common language and programmes made by non-European countries which are essential in order to fill the enormous number of available channels produced by cable networks and satellites.

The information provided by the Commission, comments made and concerns expressed not only constitute a full reply to Parliament's request but also provide a well-founded statement of the reasons upon which the proposal for a European television programme is based. But they raise another, more general problem: that of a European television policy.

In the first case, the guiding principle should be realism, in other words a programme different in structure and form from those produced by the traditional television companies, run with the flexibility of a pilot experiment that allows scope for gradual improvement and with intermediate objectives that can be controlled as transnational systems are developed, a process that may be even slower than is today thought likely.

As regards the general problem of which the programme is a part, the first criterion or principle must, in my view, be not to blindly follow the passive and bigoted cult of technological progress, which undoubtedly cannot be halted, but which must be used to serve the interests of man.

The European programme

The Hahn report has already clearly explained how Community indifference to the problems posed by the new technologies would give free rein to developments which would not be in the interests of the Community and pointed out that the information supplied at present on Community policies is totally inadequate and that misinformation is one of the causes of the 'disappointment with the development of the Community' amongst the citizens of Europe.

Hence the need for active participation by the Community institutions in attaining the objective of finding a new way of making television programmes suited to the times and circumstances.

The Commission has already given its reply: a European programme, meaning a programme made jointly by the television broadcasting companies of European countries, perhaps multilingual because of the opportunities provided by the new technologies to connect up several sound channels to each television channel, and directed to the whole general public of Europe.

The Commission report states as follows: 'It should be pointed out that there is no systematic European news which is complete and objective, since there is no European television programme. It is entirely natural that national broadcasters should give priority to national subjects or, when they deal with other subjects, to those aspects of relevance to their country: this is precisely what happens with European matters. A national view on European and international questions is thus presented to the public.'

What is therefore needed is a European programme planned on the basis of a European view point by a multi-national editorial team which is capable of reaching an international public, whose objective is to help nations to become better acquainted with one another and understand one another's problems and which strengthens the awareness of belonging to a Community whose parts are henceforth indissolubly linked in a common fate.

This programme, with all the ingredients which go to make up a high-quality television channel, will be able to place the necessary emphasis, without propaganda or distortion, on the presence and the activities of the Community institutions.

The news presented should not, in my view, be limited to political commentary, but should give room to all important events in the fields of culture, sport, the arts and science. That programme, and because of my personal interest in the problem, I am pleased to say that this suggestion is already contained in the Hahn report and has been taken up by the Commission, should also include in its ambit the culture of European ethnic and linguistic minorities and regional culture, I am totally convinced that their increasingly active participation in the life of the Community, in addition to meeting the legitimate aspirations of millions of European citizens, will enrich the life of our continent by adding vigour and zest and that this will be to everybody's advantage.

The problems to be tackled

The first problems arise over the options available and the decisions to be taken. Although different, these problems are of equal importance.

The first problem is the type of competition that such a programme might encounter on the supranational market. The battle between commercial channels and the European channel could very probably turn to the former's favour. We must therefore seriously consider the attitude that is or might be adopted by the small countries that are unceasingly and forcefully pressing for a generalized deregulation of broadcasting, and take a clear and united stance against it.

The second problem is the financial resources available to finance the project, which are by no means unlimited. We must be realistic and not give in to the temptation to follow any form of technological progress but identify and define the objectives.

The third problem is a legislative one, the rules governing competition between networks, the use of resources, the financing of projects and control of the various broadcasting bodies.

The proper approach to these problems and the way in which they are resolved will to a large extent determine whether or not the action to which we attach prime importance, creation of and support for a television news channel, is successful.

This gives rise to yet another problem which must be settled in advance, the situation of broadcasters and all television staff.

If European programmes are to have and, above all, to preserve genuine multi-nationality in all circumstances, meaning a transcendent synthesis of national viewpoints and not a compromise between them resulting in the concealment or distortion of information, and if they are to maintain an attitude of strict objectivity when faced with all kinds of different interests, it is essential for those in charge of the service to be safeguarded against all national, political, or party interference and pressure by interest groups, organizations and lobbies which would no doubt mobilize what we know is always considerable strength and which are not infrequently effective even if unlawful.

I am convinced that it is possible for the Community institutions to provide the appropriate safeguards and ensure that they are foolproof.

It is at any rate an extremely important problem on which the success of the experiment depends.

A European television policy

The fact that the proposal for a European programme was put forward by the Commission not only in organizational and operational terms but within a wider framework of comments and information and with direct and indirect

suggestions seems to me to amount to a request that Parliament should amplify the issues being discussed and in its turn reply within a wider context.

I was referring to this when I mentioned the principle of a general television policy. I believe that Parliament cannot, when faced with such a problem, limit itself to discussion of a European programme and refrain from tackling the issue of which it is only a part, a policy adapted to the nature and dimensions of the challenge presented by technological progress.

In the foreseeable and expected development of the medium of television in the short term, there are, as I have pointed out above, different and opposite possibilities whose scope is incalculable in the true and literal sense that the information which we have may become obsolete in a very short period of time.

It has been stated authoritatively that the new telecommunications technologies will perhaps make the twenty-first century more different from the twentieth century than the nineteenth century from the eighteenth. It is nevertheless certain that it is hard to over-estimate the importance of the events which are about to take place.

What has been called the imagination industry, but more than that, the entire process of planning, preparation, production and broadcasting for pragmatic and practical, cultural and scientific, entertainment and leisure purposes with all the related industrial and commercial activities will exercise an increasingly strong influence on social life in all its forms and in all its dealings.

Hence the fundamental importance of the direction which this process will take and thus the need to take action in good time before it becomes ungovernable by the human mind.

Since it is unthinkable to halt the events taking place, two different attitudes may be taken towards them: either the attitude that one should attempt to regulate the flow of developments by channelling them into the general interest and trying to harmonize them to the minimum degree needed, or the

attitude which takes lying down the argument of development for its own sake and blindly and passively courts the certain danger being created by disturbances throughout the system of mass communications, with serious economic, cultural and political consequences.

The Commission is in favour of the first argument. So too is Parliament, if adoption of the Hahn report can be interpreted in this way.

Financial resources and their use

Because the problem of what and how much to produce and to distribute becomes of fundamental importance at this point, it brings us back, to begin with, to the problem of financial resources.

Without attempting at this point to go deeply into an extremely difficult analysis for which we lack any information, I think it may be said that at present these resources have become very inelastic and the source which actually financed the birth of public service television companies, licensing fees, is in even greater difficulties.

New forms of financing may be found through tax relief and credit facilities. Advertising, continually on the increase, is however becoming of foremost importance and may be used to acquire primarily non-European products or be an appropriate way of giving a decisive boost to the achievement of the additional production quota necessary in the new phase.

The problem of what and how much to broadcast is linked to that of how to adapt the new distribution systems to production resources existing, or realistically foreseeable in Europe.

For this purpose it might be appropriate where, I believe, there is no information, to request the cooperation of the European Broadcasting Union in order to establish the amount of funds currently available internally and externally to television broadcasting companies and national film and electronics industries and how they are utilized in terms of methods, time and cost for the various types of television production and also to ascertain the number of co-productions and amount of trade between European countries.

On this basis it would be possible to establish a subsidization policy which takes into account the changes now inevitable in the criteria for the financing of television production.

The prospect of enormous expansion will in fact mean utilizing risk capital which will be far more than the normal budget per broadcasting hour which could be afforded by a distributing company.

As regards co-productions, the field has already expanded in the last few years from co-productions between the television broadcasting companies of several countries to co-productions between foreign producers and distributors of several countries. Many of these undertakings concern products intended sometimes primarily for the cinema circuit. They did not, however, need to take up credit facilities because they were one-off undertakings for which it was relatively easy to find financing and for which a capital return was, on the whole, guaranteed.

The circumstances are different in the case of 'serialized' programmes - even if they are not serials properly speaking and in the strict sense - intended to fill a large number of broadcasting hours at fixed times with average viewing figures and occasionally very high audience levels.

The lack of a policy in this field would presumably give rise to a situation in which, in the new markets created by direct broadcasting by satellite, the supply provided by the public-service television companies might be relatively short compared with that, for example, offered by small states which have conceded or could concede their systems to large multinational groups and major international advertising agencies. The opportunities for exploiting a vast advertising market would in fact encourage extremely high levels of investment which public-service television broadcasting companies could not afford, so that they would remain on the sidelines.

In my opinion it is not a question of resurrecting the old argument over the conflicting merits and demerits of public and private undertakings or whether complete freedom always has beneficial effects. Freedom always finds expression in institutions, laws and rules. The highest historical and so

far unsurpassed form of safeguard of freedom is still represented nowadays by our parliament which perform the function of reconciling conflicting interests and where, through legislation, the freedom of each individual becomes freedom for all.

In our case it is necessary to take into account the fact that problems of general interest to society arise in relation to an event capable of having a decisive influence on ideas, customs and behaviour, of changing cultures, of spreading ideologies and of imposing life-styles and that their solution cannot be entrusted to the representatives of purely economic interests which are necessarily governed by their own criteria.

References to situations such as that in the United States, apart from any considerations of merit that would lead us on to different ground, do not take account of the deep-seated and considerable differences in the European situation. Even subscribing to the theory that they arose naturally a long time ago, the imbalances which would be created here between public and private television companies, production and consumption, the various mass communications media, the various countries of Europe, Community Europe as a whole and non-European countries would lead for a long time to distortions which would make the harm done irreversible.

It may be argued that this too is only a theory but the very fact that it occurs to us makes it necessary to consider it.

Proposed action

For this reason, in order to prevent harm being done, it might be advisable, in addition to a plan to evaluate existing resources, to find new resources and utilize them properly, to lay down an anti-dumping policy in respect of television films, rules for the distribution of national, European and non-European productions, rules governing advertising by public and private television companies and the various mass media, to study incentives to enable public-service television companies to participate in serial productions and to define a mixed model which would balance the relationship between public-service and private television companies.

A brief comment may be made here with regard to private television companies.

At present private organizations producing and distributing television programmes exist mainly in Italy where three judgments of the Constitutional Court permitted the unlimited spread of private television companies.

In the United Kingdom and the Netherlands, private film production companies are allowed to broadcast under precise and complex rules, using technical resources belonging to and managed by the public authorities.

As a rule, private television is forbidden in the other Community countries.

Private participation in programmes broadcast by satellite should not therefore cause any special serious problems at transnational level, as far as can be presumed at the present stage. In Italy, judging by the case-law on this matter, direct access to DBS should be regarded as out of the question.

The case of multinational organizations is different: they intend to use the satellites for broadcasts on an international scale.

The fact which emerges from a brief examination of the situations in the various countries (reference should be made to Annex 5) is that private consortiums financed by advertising can already broadcast by satellite (see Annex 5).

At this stage it is already backward-looking and anachronistic to say that broadcasting is the vehicle of national sovereignty. The 'sovereignty' - I would prefer to call it historical identity and cultural and political autonomy - of our continent is being defended on the borders of Europe.

The Commission's contribution

I have dwelt on this subject only briefly. I apologise for this to my fellow committee members, and rely on them for further information and clarification. I am completely convinced that it would be a serious mistake on our part to deal with the problem of a European channel outside the context of a Community television policy.

As regards our immediate objective, I believe that the Commission's contribution should be along the following lines.

First of all, a stable, certain legal framework is needed to implement the principles of the Treaty of Rome applicable to this matter, particularly in the sectors covered by Title III (free movement of persons, services and capital) and with reference to Article 235. For this purpose, as you know, the Commission will soon have prepared a Green Paper which will deal principally with the interpretation of the articles of the Treaty on the free movement of services and with the expected consequences of that interpretation. A fundamental criterion which should however apply in this sector is that national laws, which have all now largely been overtaken by events and are all being redrafted, should develop along the lines which are not so divergent as to make very difficult the harmonization necessitated by these events.

Secondly, the Commission should also promote and support European technical and industrial cooperation, bearing in mind that it has already proposed the ambitious ESPRIT programme (European Strategic Programme for Research and Development in Information Technology) in the research and development sector. The programme is closely connected to industry so as to bring industry up to a technological level where it can compete internationally. Once adopted by the Council - which we hope will be fully alive to its responsibilities - the 10-year programme would run from 1984 to 1994, with a budget of 1.5 thousand million ECUs for the first 5 years, half of which would come from the industries concerned, large, medium-sized and small.

Industrial cooperation and the problem of technical standards

In this connection a particular but very important issue which represents an all but essential prerequisite for the development of industrial cooperation as well as protection of the interests of consumers is that of making uniform the technical standards for direct broadcasting by satellite (DBS). If this occurred the difficulties and wastage experienced in Europe so far due to the separation of the PAL and SECAM systems would be avoided. The European Broadcasting Union (EBU) unanimously approved on 15 July 1983 the adoption of a system of the C-MAC-packet type derived from the combination of techniques developed in the United Kingdom as regards the image and in France

as regards the sound. The EBU stated in its communication that the adoption of that system 'will enable viewers to obtain the greatest benefit from the crossing of frontiers by television programmes broadcast by satellite', that this will have the effect of 'reducing the cost of receivers' and of 'improving the quality and increasing the quantity of services offered to the public'. In addition to these arguments in favour of making systems uniform there is the obvious argument of the greater strength which in the medium term European industry would draw on world markets from the possibility of supplying uniform technology of a high technical level.

This relatively minor problem has not yet been solved, however. Governments seem to be having second thoughts or doubts, in particular the French postal authorities and those of the Federal Republic of Germany. Pressure from Parliament together with the Commission would be advisable and in my view is absolutely essential since this is a question which affects the whole Community and directly affects the production capacity of that industry and the hundreds of millions of licence-holders. It should be noted that Mr Hahn has taken a well-timed initiative in tabling a resolution on the subject (Doc. 1-873/83) which called on the Member States and the Commission to work towards uniform technical standards for European television.

A programme and news policy

The Commission is also expected to devise and define a programme and news policy, a problem which played a central part in the Hahn report and again in the Commission's report to Parliament.

The assumptions are simple and require no explanation or comment.

The increase in the available channels from cable networks to optical fibre networks and the internationalization of trade thereby produced will open up an enormous market with a very great demand for programmes.

I have already dwelt briefly on the dangers as well as the advantages of that fact.

It is however worth recalling the information supplied by the Commission with regard to the possible 'invasion' of non-European programmes to fill the available channels in order to assess the problem clearly from a quantitative and thus qualitative point of view.

As regards film programmes - see paragraph 7 of the report - 500,000 hours a year will have to be filled as against an annual film production by France, Germany, Italy and the United Kingdom of 1,000 hours. By working out this figure further we can reach an appraisal, still approximate but very significant of the situation: if we regard it as acceptable for half of the hours to be filled by non-European programmes we shall still have 250,000 hours to fill; assuming that each film will be broadcast twice on average there still remain 125,000 hours of demand each year.

It is very difficult as regards supply to obtain uniform data on television film broadcasts which can be added to films properly so called - for which television is a secondary use - to obtain a total of the hours which European television broadcasting companies fill in this way at present. On the basis of research still being carried out by the Commission, the order of magnitude may be estimated at an average of about 7,500 hours per annum for the four countries quoted above. About half this total, i.e. about 3,500 hours a year are given over to European production, 1,000 of them to European films. Television films, documentaries, serials and animated cartoons produced by European television broadcasting companies amount to some 2,500 hours a year. The difference between the supply of existing programmes and that which would be necessary to satisfy foreseeable future demand thus appears to be between 3,500 and 125,000 hours a year.

It is certainly unrealistic, not to say utopian, to suppose that within five or ten years European programme production will be able to develop autonomously and spontaneously so as to bridge that gap. However, in the circumstances, it is necessary and urgent to do everything possible to support European production, not out of European chauvinism, but because of the basic need to preserve the identity of our peoples, their autonomy and their creativity.

Need for financial support for programmes

The support, it should be said immediately, is chiefly of a financial nature and of a considerable amount. Even an approximate appraisal of the necessary resources depends on too many variables which are all still uncertain to attempt it here. But what is certain is that the financial means will not be found in the Commission's budget. It is to be hoped that specific projects will be drawn up on the basis of which Parliament and the Commission will be able to assess the scope of the aid necessary, and determine what action to take.

Bearing this in mind, the objective of promoting European programme expansion may be pursued by various forms of incentive which should not replace but complement those existing in the individual Member States.

An interesting model might be that of the ad hoc fund recently created in Canada to promote the production of Canadian programmes so as to counter-balance the overwhelming predominance of the United States (see Annex). A specific study might be carried out on this subject as it is an experiment which is largely new.

As regards non-financial means, I believe that the manner and form of Community action should be based on one premise, that the Community institutions should not take autonomous measures in the radio and television sector, i.e., they should not substitute themselves for professionals for two reasons. The first is that it would be difficult to propose and defend this within the context of the Rome Treaties and the second is that it would be unethical. The action taken should therefore be that of support from the outside and possibly participation in undertakings administered and controlled by journalists and radio and television staff.

Vocational training

This support could take the form of increased vocational training.

The in many ways new international and multilingual activities they will be required to perform in a programme directed at an international public will

demand a type of television professional that not only has a wide knowledge of languages but also a more than superficial knowledge of the situation in several countries and the ability to look at international events from a European point of view and appraise them with a sensitivity acquired through cultural experience.

Television circles in all countries have clearly signalled the existence of this problem, and the short deadlines imposed by technological developments make it a matter of urgency that the Community take the initiative.

I shall not for the moment go any deeper into the matter by making any specific proposal. I shall merely point out that the problem was tackled at the meeting of Ministers of Culture of the Member States in Athens on 28 November 1983, when the idea was mooted of a special school, possibly connected with the European University Institute in Florence, to train economic, technical and artistic personnel specializing in the new forms of mass communication.

Forms of intervention

A. For a 'complete' programme

When discussing Community participation in a multilingual television programme produced jointly by a certain number of television broadcasting companies belonging to the EBU and broadcast by satellite to all western European countries and even perhaps to some African countries, reference should be made to the EURIKON programme analysed in the Commission report as a specific model of the type of programme suitable for pursuing the objectives which we have set ourselves.

Several television broadcasting companies belonging to the EBU are considering resuming experiments in 1984 and subsequent years. The intention is to answer direct broadcasting by satellite (DBS) in 1986 by a system which is already working.

The Commission report suggests that the Community should give preference to promoting and supporting financially as well, the experimental stage of that project and, where the results so indicate, that it should subsequently promote the creation of a specific body divided into an independent professional structure - a programming team, an editorial team for news programmes and translation and administrative services - supplemented by a body consisting of representatives of the television broadcasting companies, the governments of the countries involved and the Community institutions. This body should ensure that the principles accepted beforehand are respected, guarantee the independence of the journalists in the service and arbitrate any disputes.

Community participation in this body should be at the highest possible level so that it can carry on its extremely sensitive task properly. It would therefore be advisable for a Community representative to take the chair.

One of the arguments which should be taken into consideration in this field might also be that of creating, besides the strictly operating structure outlined here, a broad based consultative body composed of representatives of political, economic and cultural groups and representatives of ethnic minorities and linguistic and religious groups. This

assembly might be called upon to express an opinion annually on the criteria on which the programme is based and on how they should be applied.

This role of the Community should also be based upon adequate financing which however should still be less than that provided by the television broadcasting companies taking part, whose operating independence would thus be safeguarded.

B. For a news programme

I should like to discuss another point which has not been dealt with in the Commission report but to which the relevant departments of the Commission have drawn my attention, and I thank them for their concern. This issue is that of a programme reserved exclusively for news. I consider this to be important since various measures seem to be in preparation in this field, and events can move very rapidly.

News programmes along these lines are already broadcast in the United States, particularly by Atlanta's Cable News Network (CNN) which operates 24 hours a day.

In Europe, the possibility of using for this purpose some of the channels available on communication satellites linked to cable networks or earth stations of television stations is being studied by European organizations and by the Americans. It is, however, necessary to bear in mind that there is relatively limited room for an undertaking of this kind as it is difficult to imagine that there is anything to be gained in the immediate future, as far as we can see at the moment, in creating more than one European news channel. This means that the dominating position would be held by the first occupant for what is at present an unpredictable length of time.

The financial participation of the Commission should, if, as is to be hoped, matters proceed apace (I annex a report on the plans discussed last October in the EBU to inform you of the stage which has now been reached, although changes may occur from one minute to the next), be seriously taken into consideration in view of the two objectives to

Europeanize the editorial team and emphasize and broadcast accurately and reliably the activities of the European institutions.

Participation in a complete television programme of the EURIKON type at the same time as a programme devoted exclusively to news would not, in my opinion, create any special problems, as the two are not mutually competitive but complementary. The first programme would in fact cater to political, cultural and leisure interests and perform, in relation to the enormous public to whom it would be addressed, the indispensable task of creating a modern European awareness, whilst the second would be specifically directed at bridging the gap in European news broadcasting that all those with a professional interest in European matters recognize and deplore.

At present television news on European affairs, as distinct from that about the reaction of individual countries to them covered by national broadcasting companies, is scarce and generally supplied by American sources. An overall view of national news of relevance to Europe is also lacking and could be obtained by selecting and compiling material from the television broadcasting companies of the various countries.

It is useful to add as regards such a programme that even in this case it is inconceivable that competition with national programmes might arise. Surveys show that it would be of interest to a relatively young audience who are reasonably well-educated or interested in international affairs and have appreciable decision-making ability and influence in society.

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These remarks have been formulated on the basis of new information which has gradually come in, whether collected by me or supplied by officials in the Commission and Parliament and representatives of public television authorities in several countries as well as television agencies, whom I thank most sincerely for their intelligent and enthusiastic collaboration.

They are, however, provisional in many respects, for the same reason that the Commission's report is an interim one: many variables are in operation and new information becomes available with which I shall try to keep up to date, and I shall, as in the past, rely on the collaboration of colleagues and officials.

I shall finish by recalling that the Commission has announced its plan to hold a symposium on European television before long based on three themes: the legal framework, technical and industrial cooperation, and programmes. This symposium in which the national authorities, professional organizations, television manufacturers and programme producers will take part should make it easier to have an overall view because the opinions, hopes and intentions of the various parties will be directly known.

In the meantime consultations between Parliament and the Commission can usefully be increased, intensified and organized in whatever manner possible as soon as circumstances allow, so that proposals for action can be formulated rapidly and put into effect.

Annex 1

PROJECTS 'A' AND 'B' IN THE EUROPEAN BROADCASTING UNION (EBU)

The two projects were discussed at the last meeting of the EBU's TV Programme Committee, which was held in Geneva from 17 to 20 October and chaired by Vittorio Boni (RAI - Italy).

Project 'A' (daily multilingual broadcasts at peak viewing time - from 7 p.m. to 11 p.m. - financed by advertising revenue; intended for the cable networks and participating organizations; based at the NOS studios in Hilversum, the Netherlands, using the NOS channel on the satellite ECS-1; due to commence on 8 April 1984, for a period of at least two years, aiming ultimately to transfer to 'direct broadcasting by satellite' - DBS - using from 1986 the DBS satellite 'Olympus' (former L-Sat) owned by the European Space Agency; this is an ambitious and costly project).

The project coordinator, Mr Neville Clarke (of the Independent Broadcasting Authority - IBA - United Kingdom, seconded to NOS in Hilversum, Holland) described the project in outline to Parliament's Committee on Youth's working party on Information on 4 November. He mentioned that a formal 'proposal' based on an already completed feasibility study would be sent to European television organizations in December to enable a list of those interested to be drawn up before the end of 1983.

In addressing the committee Mr Clarke asked for its moral support in principle for project 'A', while adding that he would specify later - once the list of participants and the exact financial and organizational details of the project had been settled - any requests for material support.

Project 'B' (daily multilingual broadcasts at off-peak times during the afternoon, primarily for experimental purposes, centring on the use, at extremely low cost, of EBU programme material not used at present: chiefly sport and certain current affairs material; the experiment is designed to prepare broadcasts using the L-Sat (now Olympus) satellite of the European Space Agency which will be in orbit in 1986; however it is possible that before that date it might use the ECS-1 satellite and the cable network.

It was decided at the Geneva meeting that the examination of the two projects would be continued separately: the 'Hilversum Group', led by Neville Clarke (of the Independent Broadcasting Authority - IBA - United Kingdom) and Klaes Jan Hindriks, of NOS, is to remain responsible for project 'A'; while work on project 'B' will be pursued by its original prime mover, the second German television channel ZDF.

In any case, a decision on either project - or possibly a combination of the two should make it possible to conclude by the deadline - the end of 1983 - the agreement between the EBU and the ESA (European Space Agency) on the use, free of charge and for 3 years, of the second channel of Olympus - which would be made available by the ESA (the first channel is reserved for Italy) - for European broadcasts.

ANNEX 2

A NEWS SERVICE (THE VISNEWS PROPOSAL)



Initial premises

- Almost 12 million households (approximately 48 million people) will be able to receive cable television in 1984; in 1988, the total will have risen to almost 20 million households (approximately 80 million people); it will now be possible to reach this audience with the ECS satellites; from 1986, the advent of DBS will make it possible to reach any European household which has a dish aerial of between 60 and 90 cm in diameter.
- Stations devoted entirely to news programmes, which are broadcast to subscribers, have already had a great deal of success in the United States.
- For the next 5-10 years in Europe, there will not be space for more than one station of this type.
- It is highly probable that in the very near future, an American organization will offer to provide such a service.

Visnews and its proposal

- Visnews' capital is divided as follows: BBC, 40%; Reuters, 40%; broadcasting organizations from Australia, Canada and New Zealand, 20%.
- At present, Visnews is by far the largest world television news agency, and has a virtual monopoly: approximately 300 television broadcasting organizations (including all of the European organizations) in 100 countries subscribe to Visnews.
- There are another two: the British-American UPITN and the American CBS News. These three organizations are the 'anglo-saxon' agencies so often criticized in Europe and the Third World for their monopoly of television news. Mention should also be made of the Hutton proposal (Doc. 1-1950/81, 20.1.1982) for the creation of a European television news agency, included in the Hutton report on radio and television communications in the European Community (PE 78.983/A).

- The Visnews proposal would entail:

- the setting-up of an 'editorial consultative group', to be made up of journalists from various European countries,

- daily broadcasting of news for 14-24 hours per day;

- extremely high costs:

- capital costs (for setting up a production centre): £20 million sterling (or £15 million if it were possible to use existing premises),

- operating costs for 14 hours per day: from £7 million to £10 million per day (depending on the type of programmes and the number of languages in which they are broadcast); for 24 hours, an extra £5 million per year should be added;

- requests to the Community:

- financing of a third of the capital costs for the period 1984/85,

- financing of operating costs - two possible modes: one third of the annual costs, at a constant rate; or financing at a falling rate, starting at, say, 50% in the first year; reaching zero after five years, viz. when the service ought to have attained economic self-sufficiency.

Remarks

The proposal offers great interest. The service:

- would fill a gap: European news presented from a European point of view,

- would block initiatives by non-European organizations,

- would be aimed at a European audience rather than individual national audiences; all the news items and reports would therefore be handled from a European point of view, without of course any distortion. Particular prominence would be given to the activity of the European institutions,

- it would complement perfectly the 'complete' service (such as EURIKON) in the EBU.

It would undoubtedly be better if the service were to be provided by a multinational organization under the auspices of the Community: but it would take so much time to set up such an organization (assuming that it was possible) that the Americans would certainly get in first. On the other side, Visnews is 'European' (like Philips or Fiat).

In addition, involvement by the Community could help to make the initiative more 'European', by ensuring a wide national mix among the editorial staff and encouraging the use of several languages, while protecting the editorial staff from unwarranted external influences.

It is not clear whether Visnews regards a contribution by the Community as a condition for beginning work on the project, or merely as one option among many.

Nor has it even been explained where the balance of finance would come from. Advertising would seem to be ruled out, while it is anticipated that economic self-sufficiency would be achieved after about 5 years - on the basis of the subscription fees from the cable networks. Until that time, the finances would be supplied by some form of foundation and a number of commercial organizations: this point needs further clarification.

In the light of the experiences of television broadcasting organizations, the assessment of the costs appears to be realistic.

Visnews is a private organization, highly efficient, with a great deal of experience: it is therefore likely that once the necessary decisions had been taken, the service could soon be launched.

Of the two possible forms for a Community contribution to the operating costs (annual fixed amount or an amount falling to zero over the first five years), the second, broadly speaking, seems preferable. In the Commission report, it was pointed out that initial financial support for the launching of a service would not pose any fundamental problems; on the other hand, a fixed and regular contribution could be considered improper procedure. However, considerations of this type could be eliminated if guarantee procedures and mechanisms were established with the agreement of all concerned.

Finally, it should be emphasized that the scale of financing required completely exceeds the possibilities of the Commission's operating budget. Parliament should therefore agree to the insertion of an 'ad hoc' budget item for 1985, which should also make provision for the continuation of projects such as the EBU's EURIKON (project 'A' and/or 'B', as outlined above).

ANNEX 3

THE CANADIAN SYSTEM OF SUPPORT FOR THE PRODUCTION OF TELEVISION PROGRAMMES

In some respects, the situation in Canada prefigures the European situation. The extensive development of the cable networks has considerably increased the number of channels available (22 in Toronto) and paved the way for an invasion by American programmes transmitted via low-powered communication satellites (it should be noted that a similar situation exists in Italy for the private TV channels).

The Canadian Government, concerned at the cultural and economic implications of this phenomenon, has - among other things - set up the Canadian Broadcast Programme Development Fund, managed by the Canadian Film Development Board and inaugurated on 1 July 1983 with working capital of Can\$ 35 million for the first year, increasing gradually to Can\$ 60 million after five years.

The Fund operates as follows:

- The producer must obtain from a Canadian television broadcasting organization an undertaking to show the proposed programme within two years in 'prime viewing time' (between 7 p.m. and 10 p.m.). The programme itself must fall into one of the following categories: cinema, drama, light entertainment or children's television.
- On the basis of such an undertaking, and after providing a series of guarantees that the production will be genuinely Canadian (nationality of the producer, scriptwriters, director, leading actors and technicians), the producer may obtain from the Fund finances equivalent to at most a third of production costs. A further third is normally supplied by the television company which undertakes to show the programme: this means that the producer has to raise only the last third of the necessary sum, and his most usual source for this is the financiers who envisage profits from foreign sales. Provision also exists for the Fund contribution to be paid back once the proceeds from foreign sales have reached a certain value.

As matters stand in the 1983/84 tax year, the Fund envisages financial support for Canadian productions totalling approximately Can\$ 105 million (its own Can\$ 35 million, plus Can\$ 70 million from other sources). In the fifth year, the total should have increased to Can\$ 180 million.

In the first three months since the launch of the scheme, 15 production projects have been submitted to the Fund.

If the Community were to establish a similar system in Europe, it could help to compensate for the glaring disparity between the capacities of the production industry and the number of television channels which will be available in the future, and at the same time ward off an invasion by programmes from outside Europe. Such an invasion would be all the more unacceptable, since the proportional relation - cultural, but also economic and industrial - between Europe and the United States is vastly different from that between Canada and the United States.

ANNEX 4

THE LEGAL PROVISIONS GOVERNING BROADCASTS VIA SATELLITE

There are two systems of television broadcasting via satellite, which differ both legally and technically.

- (a) 'Communication satellites' for 'point to point' transmission. These are low-powered satellites, the signals from which can be received on earth only by large aerials (at least 2 metres in diameter).

Under existing law, communication satellites are intended primarily for telephone messages, the transfer of technical, scientific and business information, etc. Only exceptionally and as a subsidiary use may they be employed for television broadcasting.

At world level, the management of such satellites comes under the responsibility of Intelsat in the case of the 'Western' countries, and Intersputnik in the case of the USSR and Eastern Europe.

With regard to Western Europe, Intelsat, which has a monopoly in the West, has granted a 'regional' concession to Eutelsat, a multinational organization, with headquarters in Paris, of European Ministries for Posts and Telecommunications¹.

The Eutelsat satellites are developed and launched by the European Space Agency (ESA). The present series is designated ECS (European Communication Satellites): the first satellite (ECS-F1) has been in orbit since last June; the second (ECS-F2) will be launched in March 1984. A third (ECS-F3), a reserve satellite, will be launched in the Autumn of 1984.

The ECS satellites are intended to transmit only to bodies duly authorized to receive by Eutelsat, and hence, ultimately, by the telecommunications authorities in the country concerned: it is for this reason that Eutelsat insists on all television broadcasts being transmitted in code to the receiving station on earth.

¹ For more details on these and other international organizations, see the 'Interim report', annex 5.

As a result, the station can receive broadcasts only after Eutelsat (i.e. the telecommunications authority responsible) has disclosed the 'key' to the code. The telecommunications authorities thus maintain total control, although neither Intelsat nor the French Télécom (which will be responsible for the French communication satellites) have imposed such a condition.

A further limiting factor on the 'television broadcasting' capacity of the communication satellites is the fact that, if one of the satellites in orbit develops a fault, the other will immediately be made over to the other messages, by telephone, etc. - since these have priority - thereby interrupting the television broadcasts.

Nevertheless, the importance of the communication satellites to television broadcasting must not be underestimated. It has already been pointed out that almost 50 million viewers in Europe will be able to receive cable television in 1984 (approximately 80 million in 1988), at a time when something between 52 and 136 channels will be available on the communication satellites (those belonging to Intelsat, Eutelsat, Télécom, Unisat, DFS, Vidéosat and Luxsat). All of the ten channels available for television on the satellite ECS-F1 have already been allocated by Utelsat, with Germany and the United Kingdom receiving 2 channels each, and Belgium, France, Italy, the Netherlands, Norway and Switzerland one each.

It should be noted that the EURIKON experiment has since 1982 been conducted with Eutelsat's OTS satellite, an experimental prototype of the ECS series; while the broadcasts in project 'A' and/or 'B', which should succeed EURIKON, will be transmitted on the Dutch channel of ECS-F1; since 1980, France has been using the OTS to transmit the programmes of its second channel 'Antenne 2' to the countries of North Africa, and will use ECS-F1 for the same purpose; OTS and ECS-F1 have since 1982 also been used for the broadcasts of the private consortium 'Satellite TV'.

It should finally be borne in mind that, although the signals emitted are weak, the 'footprint' of the communication satellites extends over an extremely wide area, and is in general sufficient to cover the whole of Europe.

- (b) The future direct broadcasting satellites (DBS). The relevant rules were laid down in 1977 at Geneva by the World Administrative Radio Conference (WARC) of the International Telecommunications Union (ITU) for Europe, Africa and Asia¹.

The Regional Administrative Radio Conference held in the Summer of 1983 laid down the DBS standards for the American continent.

The DBS satellites are extremely powerful, so that the signals can be received by small aerials (the 1977 WARC fixed the size at 90 cm in diameter, but subsequent technological progress has made it possible to reduce it still further, to approximately 60 cm), which can easily be purchased and installed by private users.

The 1977 WARC fixed the orbital position of each satellite and the respective frequencies to which each European country is entitled (5 television channels per country²). As far as the transmission of a 'European' DBS station is concerned, that is a station able to cover the whole of Europe, it would be possible to use either the two channels on 'Olympus' (formerly L-Sat) or one of the available channels (with the agreement, needless to say, of the countries who own them) on 4 or 5 of the DBS satellites which will be in orbit before 1990³.

¹ For more detailed information on ITU and the 1977 WARC, see the 'Interim report' (point 12) and annex 5 (point 6 et seq.)

² For more details, see annex 2 of the 'Interim report'

³ 'Interim report', points 19 and 40.

ANNEX 5

THE ROLE OF THE PRIVATE TELEVISION COMPANIES

The two legal and technical possibilities for broadcasting by satellite, namely

- communication satellites;
- DBS satellites;

must be borne in mind.

To be allowed to use satellites in the first category, any interested body must obtain from a posts and telecommunications authority the authorization to broadcast on the ECS channel allocated to that authority by Utelsat.

As regards the second category, a private organization must obtain from one or more countries the authorization to use one or more of the channels available on the national DBS satellites authorized by the 1977 WARC. Once authorization has been obtained, the private organization may either make use of an existing national satellite or launch for this purpose a DBS satellite of its own, which would then be located in the orbital position allocated by the WARC and use the corresponding frequencies.

It can therefore be concluded, speaking generally, that in both cases the possibilities private bodies will have for using the satellites will be determined by the public authorities.

Still speaking in general terms, it may also be observed that, judging by the services announced by the various countries, the orbital positions and DBS frequencies available in Europe appear at present to exceed requirements; similarly, there is a very large number of channels available on the ECS satellites (between 52 and 136 in 1988: see annex 4).

The five 'small' countries, Andorra, Liechtenstein, Monaco, San Marino and the Vatican, are a case apart. The 1977 WARC treated them in exactly the same way as all other countries, fixing an orbital position (37⁰ west) for any DBS satellites they might launch, with the standard allocation of 5 television channels each. In addition, given that their national territory covers only a small area, they were granted the right to broadcast to neighbouring countries (this is regarded by the other countries as a mere

'de facto' right, resulting from the 'technically unavoidable overspill' of satellite footprints).

It appears obvious that these countries, which are hardly likely to have either the wish or the practical possibility to launch a satellite and use the DBS frequencies reserved for them, could be tempted to renounce this right in return for substantial advantages, economic or otherwise. This would in effect open the way to the private multinational conglomerates.

The present situation

It would be useful to examine the existing situation rather more closely. Firstly, a distinction should be drawn between two types of private organization:

- (a) national organizations of producers and distributors of programmes who intend to use the satellites to broadcast their programmes to the national territory and/or abroad;
- (b) organizations with a multinational structure who intend to use the satellites for the international broadcasting of their programmes.

As far as the first category is concerned, the question is problematic solely in the case of Italy. Private television does not actually exist in France, Germany, Belgium, Denmark, Ireland or Greece, or, if provision is made for some form of 'privatization' (for instance of administrative management or programme planning in local cable TV networks), it is governed by 'ad hoc' rules which, while they may allow active and passive involvement in the production of programmes to be broadcast by satellite (either communication satellites or DBS satellites), will not pose problems at transnational level, given that both the origin of the programmes (public or private) and their intended audience will remain predominantly national questions, subject to the national law of the relevant country.

In the United Kingdom, private television is subject to the control and supervision of the Independent Broadcasting Authority, a public authority which owns and manages the technical production and broadcasting facilities (and will run two of the future DBS channels), and therefore acts as an intermediary between the local organizations which produce programmes (under fixed-term franchises) and any possible exportation of the programmes, by satellite or other means. The producers of programmes for the future cable networks will

be placed under the responsibility of a new public authority, to be set up shortly.

The situation in the Netherlands (though subject to different and more complex internal legislation¹) may, from the international point of view, be regarded as comparable to the British situation.

The multinational organizations

- 'Satellite TV'

As regards the organizations coming under category (b) above, there is one existing organization which is already active in the sector, the British consortium Satellite TV (whose capital is distributed on a multinational basis). Since the Spring of 1982 (first with the OTS satellite, now on one of the British channels of ECS-F1), the consortium has been broadcasting television programmes financed by advertising (Coca Cola, IBM, Polaroid and other large undertakings, including European undertakings) and distributing to cable networks in Norway, Finland and Switzerland (covering a total of 300,000,-400,000 households) approximately 3 hours a day of films and programmes previously broadcast by the BBC. The OTS and ECS channels were granted to 'Satellite TV' under an agreement between British Telecom (the public telecommunications authority, about to be privatized) and Eutelsat.

- Luxembourg

The situation in Luxembourg is currently dominated by two projects:

- the LuxSat project, originating from CLT (Compagnie Luxembourgeoise de Télédiffusion), a commercial undertaking which operates under an administrative concession. Plans to launch a satellite have been abandoned, but programmes will be broadcast on the third channel of the French satellite TDF-1 (launch scheduled for 1986);
- the project announced last Summer by Prime Minister Pierre Werner: the launch, by 1985, in collaboration with a private consortium (which includes a large American cable and satellite television company), of a system of 3 satellites, with 16 channels each, 'in the higher power range': these would therefore be communication satellites, designed to provide a wide range of

¹ See the Commission's interim report, annex 10 - points 114 et seq., especially points 116, 177 and 118.

services, in addition to television, for the cable networks. The satellites would be manufactured in America. This would be the first satellite system in Europe which was in part privately owned.

Luxembourg has already asked the International Frequency Registration Board of the International Telecommunications Union (ITU) for formal registration of the GDL project, whose services will be offered to other governments in Europe. The request caused controversy in Eutelsat of which the Luxembourg Posts and Telecommunications Administration is naturally a member. Eutelsat feels that the services offered by the GDL system would be in direct competition with its own system of ECS satellites.

It should be pointed out that apparently the Luxembourg PTT would have no involvement in the GDL project, which would be directly managed by the Cabinet of the Grand Duchy.

- Ireland

On 20 November the Irish Government announced that it had issued an invitation to fifteen groups to tender for the provision of a DBS satellite to start operating in 1987. The deadline for submission of tenders is 31 July 1984.

Of the fifteen groups invited to tender, only four are Irish, and the others include major American groups such as Westinghouse. The orbital position of the Irish satellite (31 deg. west) would allow its five channels to cover Ireland, the UK, Denmark and large areas of Sweden, the Netherlands and France with a potential audience of over 70 million. Commenting on the announcement the Telecommunications Minister, Mr Jim Mitchell and his Junior Minister Mr Ted Nealon, said that satellite broadcasts would be primarily film programmes and that naturally they would be directed principally at the British audience since the Irish audience, at three million, could not justify the investment of over 100 million pounds.

- Euro-TV

A private group, Euro-TV, has also been formed in the Netherlands, for the purpose of broadcasting television programmes to be distributed by subscription (either to individual subscribers or through the cable networks). However, Euro-TV has not yet begun its activities. There is no indication on the satellite channel which it would propose to use.

To sum up, the examples described above prove that the penetration of the European market by large private consortia, financed by advertising, is no longer a mere hypothesis but has become a concrete fact.

- Italy

In Italy, the total absence of legislation governing private television leaves the field wide open.

In the case of the Utelsat (ECS) communication satellites, the Italian posts and telecommunications authorities have granted to RAI sole authorization to use the channel reserved for Italy on ECS-F1: the private television stations are thus excluded.

In the case of DBS, there is a theoretical aspect and a practical aspect. The rulings by the Constitutional Court in 1976, which opened the way for the proliferation of private television stations, stipulated that the broadcasts had to be primarily 'local' in nature (and hence, according to what is now the prevalent interpretation, 'regional'). However, it is well known that this restriction can easily be circumvented by minor formal contrivances. On the other side, it is evident that a DBS broadcast cannot claim to be of a 'regional' nature: it would cover the entire national territory, and even exceed its limits.

Theoretically, it can therefore only be concluded that DBS, according to existing case law, must be held to be forbidden to private Italian television broadcasts.

In practice:

- Italy has no plans at present for a national satellite, but RAI has reserved exclusive use of one of the two DBS channels of the Olympus satellite (formerly L-Sat) owned by the European Space Agency: in this case too, then, the way seems blocked to the private television companies;
- irrespective of the legal principle outlined above, the Italian private television stations could try to obtain DBS channels on one or more satellites which would not be Italian, but in a position to cover Italian national territory, at least in part. The most obvious candidates would appear to be the satellites launched by the small countries.

The Vatican does not seem a particularly feasible option. Nor, for various similar reasons, does San Marino.

Andorra has a satellite project¹, but this is subject to approval by the two Co-Princes: any agreement involving Italy would therefore have to be negotiated between the authorities in Italy on the one side and France and Spain on the other.

As for the Principality of Monaco, RAI has concluded an agreement with Telemontecarlo (TMC), in which the latter has undertaken to forbid third parties from broadcasting Italian-language programmes to Italy².

Liechtenstein remains a possibility. There has been no word to date on a DBS satellite project. Needless to say, there is nothing to stop a private consortium from proposing and financing a Liechtenstein satellite system similar to that planned for Luxembourg (see above).

Nor should one exclude - even though, to my knowledge, it does not exist at present - the possibility of private Italian involvement in one or more of the DBS satellites belonging to other countries, such as Switzerland (which would in any case have programmes in Italian) or Austria (if it were to implement a satellite project).

It should finally be pointed out that Mondadori, the owner of the television station 'Retequattro', currently has a financial stake in the British 'Satellite TV'³. Interests such as this would, for the time being, seem to be the most practicable way for Italian private television stations to secure an involvement in satellite television: membership, that is, of international commercial consortia which have satellite channels (on communication satellites for now, in the future, perhaps, on DBS satellites too). It is conceivable that a private Italian television company could in this way obtain air time for broadcasting programmes to Italy and elsewhere.

¹ See annex 7, points 96 and 97, of the Commission's interim report

² See annex 7, point 59, of the Commission's interim report

³ See annex 7, point 60, of the Commission's interim report

MOTION FOR A RESOLUTION (Doc. 1-1219/83)

tabled by Mr HAHN, Mr BEUMER, Mr BROK, Mr ESTGEN,
Mr KLEPSCH, Mrs CASSANMAGNAGO CERRETTI, Mr ALBER,
Mr GEROKOSTOPOULOS, Mrs GAIOTTI DE BIASE, Mr MARCK,
Mr HERMAN, Mr PEDINI, Mr WEDEKIND, Mrs PHLIX,
Mr I. FRIEDRICH, Mr BOCKLET, Mr PENDERS and
Mr MERTENS

on behalf of the European People's Party (C.D Group)

pursuant to Rule 47 of the Rules of Procedure

on the creation of a European fund for television
programmes

The European Parliament,

- A. whereas from 1985 many direct broadcasting satellites will be in operation over Europe, each of which will beam programmes over a large area of the continent,
- B. whereas a large number of additional frequencies will thereby become available and, as pointed out by the Commission in its interim report on 'Realities and Tendencies in European Television', there will probably be an almost unlimited increase in demand for programmes, which European programme makers would be completely unable to meet with their existing resources,
- C. concerned lest the future increase in demand for television programmes be met by non-European sources, which would result in Europeans losing their own television market and missing a tremendous cultural and economic opportunity,
- D. drawing attention to the example of Canada, which created a \$US 35 million Canadian broadcast programme fund in 1983 to meet its 22 television channels' need for programmes by providing up to one-third of the production costs for independent Canadian television programmes subject to certain agreed conditions,