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Report

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

on broadcast communication in the European Community
(the threat to diversity of opinion posed by the
commercialization of new media)

Rapporteur: Mr A. H. HUTTON

PE 78.983/fin.
Or. De.

At its sitting of 19 September 1980, the Parliament referred the motion for a resolution by Mr Schinzel and others on the threat to diversity of opinion posed by the commercialization of new media (Doc. 1-422/80) to the Committee on Youth, Culture, Education, Information and Sport as the committee responsible and to the Legal Affairs and Political Affairs Committees for an opinion.

On 28 January 1981 the Committee on Youth, Culture, Education, Information and Sport appointed Mr Hutton rapporteur.

At its sitting of 10 April 1981 the Parliament referred the motion for a resolution by Mr Vandemeulebroucke on local radio stations (Doc. 1-130/81) to the Committee on Youth, Culture, Education, Information and Sport as the committee responsible. On 24 September 1981, the Committee on Youth, Culture, Education, Information and Sport appointed Mr Wedekind rapporteur. On 24 April 1982, Mr Wedekind was replaced as rapporteur by Mr Del Duca. On 18 May 1982, the Committee on Youth, Culture, Education, Information and Sport decided to incorporate the report of Mr Del Duca into the report of Mr Hutton.

At its sittings of 14 December 1981, 21 January 1982 and 21 April 1982 respectively, the Parliament referred the motion for a resolution by Mr Hutton and Lady Elles on the coordination of specifications for 'Citizens' Band' radio (Doc. 1-790/81), the motion for a resolution by Mr Hutton on the establishment of a European newsfilm agency (Doc. 1-950/81) and the motion for a resolution by Mrs Dury on television advertising in the Member States (Doc. 1-120/82) to the Committee on Youth, Culture, Education, Information and Sport as the committee responsible and to the Committees on Economic and Monetary Affairs (Doc. 1-790/81, 1-950/81, 1-120/82), Social Affairs and Employment (Doc. 1-120/82) and Transport (Doc. 1-790/81) for opinions.

On 18 May 1982, the Committee on Youth, Culture, Education, Information and Sport decided to include the motions for a resolution Docs. 1-790/81, 1-950/81, 130/81 and 120/82 in the report being prepared by Mr HUTTON. On 26 January 1984, the committee decided that it would also include in that report the motion for a resolution by Mrs Phlix and others on the harmonization of legislation on advertising in the Member States (Doc. 1-877/83) which had been referred to it by the European Parliament at its sitting of 28 October 1983. On 30 September 1983, the Committee on Youth, Culture, Education, Information and Sport held a public hearing with representatives of Citizens' Band radio users in the Community.

The Committee considered the draft report at its meetings of 28/29 September 1982, 4/5 November 1982, 25/26 April 1983, 29/30 September 1983, 4 November 1983 and 29 February/1 March 1984. At the last meeting it adopted the motion for a resolution by 10 votes to none, with 2 abstentions.

The following took part in the vote: Mr Hahn, vice-chairman; Mr Hutton, rapporteur; Mr Alexiadis, Mr Arfé, Mr Bøgh, Mr Bord (deputizing for Mr Rolland), Mr Brok, Miss Brookes, Mr Davern (deputizing for Mr Geronimi), Mr J.B. Nielsen (deputizing for Mr Bangemann), Mr Simmonds and Mrs Viehoff.

The opinions of the Legal Affairs Committee and the Committees on Economic and Monetary Affairs and Transport are attached.

The opinion of the Political Affairs Committee will be published separately.

The Committee on Social Affairs and Employment decided not to draw up an opinion.

The report was tabled on 2 March 1984.

The deadline for tabling amendments to this report will be indicated in the draft agenda of 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 broadcast communication in the European Community (the threat to diversity of opinion posed by the commercialization of new media).

The European Parliament

- acknowledging the lead given by the report on radio and television broadcasting in the European Community by Mr HAHN¹,
- encouraged by the European Commission's interim report on realities and tendencies in European television: perspectives and options (COM(83)229/final),
- having regard to the report by Mr ARFE on the above-mentioned Commission document (COM(83)229/final) adopted by the Committee on Youth, Culture, Education, Information and Sport,
- accepting the principle laid down in Article 10 of the European Convention on Human Rights,
- taking account of the provisions of the EEC Treaty on freedom of establishment and freedom to provide services,
- taking into account the motions for resolutions on:
 - the threat to diversity of opinion posed by the commercialization of new media (Doc. 1-422/80),
 - local radio stations (Doc. 1-130/81),
 - the coordination of specifications for Citizens' Band radio (Doc. 1-790/81),
 - the establishment of a European newsfilm agency (Doc. 1-120/82),
 - television advertising in the Member States (Doc. 1-120/82),
 - the harmonization of legislation on advertising in the Member States (Doc. 1-877/83),
- taking into account the relevant proposals and declarations of the European Broadcasting Union (EBU), and the Council of Europe,
- encouraged by the public hearing of representatives of the Citizens' Band radio users' associations,
- having regard to the report of the Committee on Youth, Culture, Education, Information and Sport and the opinions of the Committee on Economic and Monetary Affairs, the Legal Affairs Committee and the Committee on Transport (Doc. 1-1523/83) and the opinion of the Political Affairs Committee (),

¹ adopted 12 March 1981 (OJ No. 87/83, p. 110)

- A. Welcomes the European Commission's interim report and its positive response to the Parliament's initiative in the Hahn report;
- B. Believes that new broadcasting technology will help efforts to increase European understanding;
- C. Believes that there will be profound changes to patterns of home entertainment which will be reflected in changes to present broadcasting structures;
- D. Believes that new broadcasting techniques will offer material to a wider range of tastes;
- E. Believes that new techniques must attract commercial funding and new services will need to attract advertising to start and expand;
- F. Believes that advertising should continue to be supervised through existing self-regulatory systems;
- G. Is concerned by the extent of restrictions and prohibitions, including time, on broadcast advertising in the Member States as a restriction on freedom of services;
- H. Considers that, if current codes of conduct and commonly accepted standards of practice are pursued, neither an uncontrolled proliferation of new services nor a threat to quality or diversity will arise;
- I. Notes the development and increasing use of Citizens' Band radio in the Community;
- J. Is disturbed at the restrictions experienced by Citizens' Band operators, particularly as regards freedom of movement within the Community;
- K. Is concerned by the continuing variation in the Member States of the frequencies, transmission power and other technical characteristics of CB radio sets;
- L. Believes that the views of Citizens' Band operators should be borne in mind when policy decisions on CB radio are under consideration;

- M. Notes the expansion of local radio in the Community;
- N. Is conscious of the role local radio can play in preserving cultural and regional identities;
- O. Takes into account the ability of local radio to broadcast a greater degree of information of local interest;
- P. Considers that local radio, particularly that broadcasting in border areas, can play a part in furthering European understanding;
- Q. Believes that with increasing international broadcasting within the European Community there will be an increasing demand for European newsfilm;
- R. Believes that a coordinating agency with access to the material held by European television organisations could help speedy distribution of newsfilm;

News Broadcasting Technology

- 1. Seeks a continuing debate on the effects of new broadcasting technology in the Community;
- 2. Urges the Commission to prepare framework suggestions on transnational broadcasting which take account of the proposals currently being prepared by the Council of Europe;

Citizens' Band Radio

- 3. Calls upon the Commission to set up a dialogue with representatives of Citizens' Band radio organisations in the Community;
- 4. Urges the Commission to speed up its actions in the coordination of technical requirements for CB radios in the various Member States and so remove the restrictions on freedom of movement and freedom of expression affecting Citizens' Band radio operators;
- 5. Supports the reservations of CB users concerning the recommendations in CEPT T/R 20 and urges the Commission to bear these reservations in mind;
- 6. Requests the Commission to draw up a proposal for the harmonization of the Member States' national legislation which takes CB users' concerns into account, and to consider the possibility and practicality of automatically including anti-interference filters in the manufacture of radio and television sets.

Local Radio

7. Asks the governments of Member States, when formulating broadcasting policy, to take into account the important role local radio plays, especially for ethnic and cultural minorities, rural communities and those living in border areas.
8. Aware that decentralized control and input is essential to the functioning of local radio, believes that the Commission has no regulatory role in its operation.

News Film Agency

9. Believes that the European Community, in co-operation with the European Broadcasting Union, could play an important role in encouraging and supporting the creation of a European News Film Organisation.
10. Asks the Commission to consider the arguments for and against being involved with European television companies and other sources in the initial financing of a European News Film Organisation.

- o -

11. Instructs its President to forward this resolution to the Council and Commission of the European Communities.

B:

EXPLANATORY STATEMENT

CHAPTER 1

NEW BROADCASTING TECHNOLOGY

1.0. Introduction

- 1.1. Broadcasting, and in particular television, is on the edge of the biggest revolution since its invention.
- 1.2. At least one television screen will be a necessity in every home but only occasionally for watching television transmissions. Some of the other uses are here now, most at the early stages of their availability, others are still being guessed at.
- 1.3. Whatever the eventual range of uses turns out to be, it will mean a radical change in the way television programmes are decided on, funded and transmitted.

2.0. Factors Affecting Change

- 2.1. When television was first introduced to America there was a view that it would never catch on. Now television sets there are on for an average of six hours a day and £6,000 million is spent on television advertising every year.
- 2.2. This represents 31.2% of the total advertising expenditure in the USA. In the UK the comparable figure was £928 million or 29.7% of the total, in France 2886 million FF. or 16% and in Germany 1167 million DM. or 12.1%. (1982 figures.)
- 2.3. Increased leisure time in all walks of life will progressively lead to more demand for home entertainment and, although it is difficult to guess what new forms of entertainment this will lead to, there can be no doubt that television transmissions will face fierce competition in the future.

3.0. Competition to Television Transmissions

- 3.1. The competition for conventional television programmes will come from a number of different sources:
 - 3.1.1. . Video Games;
 - . Videograms and Films;
 - . Personal Video Recordings;
 - . Special Local Cable Programmes;
 - . Videotex and Teletext;
 - . Satellite Transmissions;
 - . Pay TV;
 - . Pay Per View TV.

4.0. Changes in Transmitting Techniques

- 4.1. Television programmes have traditionally been transmitted in much the same way as radio programmes from land based masts, usually on high points for the widest coverage.
- 4.2. For financial rather than technological reasons, this often left remote areas and places in difficult terrain, such as valleys, with poor or no reception. Sometimes such areas could only get reception from outside their own country. Urban areas can also suffer severe interference problems.
- 4.3. The main ways to overcome these difficulties are:
 - . Cables;
 - . Satellites;
 - . Extending terrestrial coverage;
 - . A combination of two or more.

5.0. Cable

- 5.1. The technique of using a communal aerial and distributing the reception widely by cables has been used for a long time:
 - 5.1.1. This technique, as well as improving the quality of reception, can provide a range of extra services to subscribers.
 - . Eventually hundreds of channels;
 - . Reception of national and international programmes;
 - . Pay TV and Pay Per View TV;
 - . Special programmes and information for local areas;
 - . Daily newspapers on video;
 - . School Programmes;
 - . Video Conferences;
 - . Video games for home computer owners;
 - . Home shopping;
 - . Home banking;
 - . Access to data bank information;
 - . Electronic mail service;
 - . Home alarm system to police and fire stations;
 - . Home energy management by computer of heating and air conditioning.
- 5.2. Experiments have already started, in the Qube system in Columbus, Ohio, which allow the television viewer to respond to programmes - quizzes, talent contests, opinion surveys or political comments from the privacy of their own homes.
- 5.3. France, too, is taking the new technology seriously and printed telephone directories will be replaced by an electronic directory system available on a viewdata system relayed by telephone lines.
- 5.4. Cable systems also offer the most precise audience for a local, community or neighbourhood television service.
- 5.5. The ability to watch foreign television services has stimulated the growth of cable, particularly in the smaller countries which are overlapped by foreign signals to a much greater extent than the larger countries. In parts of the Netherlands, for example, up to 15 channels may be distributed from the UK, France, Belgium, Germany and Luxembourg, as well as the domestic channels.

5.5.1. By contrast, in France and Germany the overlap is small and most of the cable systems are community systems built for environmental reasons to avoid a large number of unsightly aerials.

5.6. Penetration of Cable Television in EEC Member and Applicant Countries

Country	Population	Households with TV	Cable Services		Common Aerial Distributed by Cable	
			Viewers	%	Viewers	%
Belgium	10.0	2.7	2.3	85.0	0.1	4.0
Denmark	5.0	2.0	0.1	5.0	0.7	35.0
France	53.0	15.0	0.06	0.4	8.2	55.0
W. Germany	61.5	22.0	0.16	0.7	9.7	44.0
Greece	9.3	-	-	-	-	-
Ireland	3.0	0.7	0.2	28.5	-	-
Italy	56.6	-	-	-	-	-
Luxembourg	0.4	0.13	-	-	0.065	50.0
Netherlands	14.0	4.8	2.1	44.0	0.75	16.0
Portugal	9.8	-	-	-	-	-
Spain	37.1	-	-	-	-	-
United Kingdom	57.0	18.0	2.5	14.0	0.1	0.5

(Columns 2, 3, 4 and 6 in millions)

(Columns 5 and 7 are percentages of column 3)

5.6.1. A number of Member States, which are not at present well-cabled, are considering the alternatives for the technical revolutions of the 1980s and 1990s. In particular, the development of fibre-optics for use in cable relay systems is an important development. Telephone and power cables are also a possible way of extending cable networks. The use of telephone lines has already been developed (e.g. the British Prestel and French systems), which allow the subscriber to order material through a central post office computer, by means of the telephone/television terminal.

6.0. Satellites

6.1. The use of satellites for communications is well developed. In the USA, broadcasting satellites relaying programmes from one transmitter into a number of cable systems have been in use for a number of years.

6.2. New technical developments now allow direct broadcasting from a satellite to individual homes. This system, however, depends for the moment upon the use of relatively large and cumbersome dish aerials, although a flat plate aerial with electronic signal seeking is being developed which will eliminate some of the difficulty of siting "fixed" receivers and would make switching from one service to another comparatively simple.

6.3. In 1977, the World Administrative Radio Conference allocated satellite positions, frequencies and power as well as receiver antenna standards. It was decided that a receiving "dish" aerial of 60 cm would receive the national transmissions, while a 90 cm dish would be able to receive programmes from neighbouring countries. The minimum size for a communal aerial was fixed at 180 cm. (Annexe 1 shows the "footprints" for French, German and British satellites).

6.4. It was agreed that each European country would be allowed a maximum of five television channels. Each channel can carry instead up to twelve stereo radio channels using the digital system. How these are used remains to be decided, although a lot of detailed work, including programme schedules have been drawn up for a suggested European programme on the fifth channel of each satellite. Multiple sound channels, viewdata information and subtitles could also be transmitted.

There has also been a proposal for a pan-European channel but this has not yet been given any enthusiasm by broadcasters.

6.4.1. Developments are moving very fast in this field and have accelerated with recent developments of technology.

There are a growing number of proposals to use the already planned European Communications Satellites instead of putting up new and separate satellite complexes.

6.5. Satellite broadcasting would be most effective in conjunction with cable television to provide viewers with a range of entertainment as the new technologies become available - such as multiple sound channels, viewdata information, qube systems, pay television, local programmes, etc.

6.6. New developments may also make it possible to broadcast programmes with a choice of soundtracks in different languages within the next two decades.

6.7. The introduction of satellite broadcasting will provide an ideal opportunity to make a significant leap forward in transmission techniques to improve picture quality. It will be important to introduce any new system, such as the transmission of pictures by analogue signals in component form, as in the British MAC system, before satellite broadcasting has been established. Although such changes are unlikely to make a significant difference to satellite design, set manufacturers will need to know what will be required of them and will not welcome significant changes subsequently.

6.8. It is impossible to avoid programmes transmitted to one country "spilling over" into another; indeed, powerful receiving aerials can gather in satellite transmissions from great distances. This is not a new phenomenon but it will cause considerable legal difficulties which will not be quickly or easily overcome. There are many examples of overspill in the Community: Northern Germany into Southern Denmark; the United Kingdom into the Republic of Ireland, for example.

CHAPTER 2

PRESENT BROADCASTING STRUCTURES IN EEC MEMBER AND APPLICANT COUNTRIES

7.0. Broadcasting conditions in the member and applicant countries vary widely. There are public service and government organisations, commercial stations, government stations which accept commercials, programmes made by interest groups including political parties; some systems are centralised, others are decentralised. Only in Belgium and Denmark is advertising prohibited, though in Belgium the law against advertising from other countries is not enforced. In all other countries broadcast advertising is allowed with varying restrictions. The position in each country is briefly:

7.1. Summary position by country:

BELGIUM There are three public service broadcasting establishments; diversification is required for linguistic reasons:

- . RTBF: French-language broadcasts
- . BRT: Dutch-language broadcasts
- . BRFB: German-language radio broadcasts

DENMARK Danmarks Radio (independent public body).

FRANCE There are at present:

the public broadcasting establishment (TDF) responsible inter alia for the organisations' development, exploitation and maintenance of broadcasting networks and installations; TDF may also broadcast itself.

- . the national programme contractors "Radio-France" (sound radio), Television Francaise 1 (TF1), Antenne 2 (A2), and France-Regions 3 (FR3) for television.
- . the production company (SFP) responsible inter alia for producing films on behalf of the programme companies.
- . INA, a state broadcasting organisation which has 60 hours maximum per year to broadcast government messages.

The French state has a large majority share in the SOFIRAT company which has 35% of the shares of Europe No.1, 83% of the shares of Radio Monte Carlo and 91% of those of Sud Radio. In addition, the state has a considerable participation in HAVAS which is one of the main shareholders of RTL (Luxembourg).

However, the French government has brought in measures, initially approved by Parliament, to alter this system. Among the changes are:

- . an increase in the number of national television companies. These will be governed by an administrative council of 12 members.
- . a company for France's overseas departments and territories.
- . an Institut National de la Communication Audiovisuelle which would be an expansion of the present Institut National de l'Audiovisuelle with responsibilities for study and archives and "commercialisation".
- . Regional radio.
- . Regional television (the decentralisation of FR3).

FEDERAL REPUBLIC
OF GERMANY

The Federal Republic of Germany has two separate broadcasting systems. The Zweites Deutsches Fernsehen (ZDF) and two radio bodies Deutsche Welle and Deutschland Funk are set up under federal government and Lander licence and governed by federal law.

On the regional basis there are nine radio and television broadcasting organisations, in principle, one for each Land but some Lander have a joint station. These are governed by Land-legislation.

The regional stations come under the authority of a consortium without legal entity (ARD) whose function is collective representation and co-operation in programming and in legal, technical, financial and operational matters. In practice, ARD broadcasts for most of the day except for 18.00-20.00 hours when the regional stations provide individual programmes (during this time there is NO advertising). Regional stations may, however, substitute their own programmes at any time if they wish.

There is also an agreement co-ordinating the television programmes of ARD and ZDF.

GREECE

Two radio and television stations operate in Greece, ERT 1 and ERT 2. ERT stands for Elliniki Radiophonia Teleorase which means Greek (Hellenic) Radio and Television.

Under the Constitution, radio and television stations cannot be privately owned.

. ERT 1 is a Societe Anonyme. It is financed by advertising and a subsidy collected through electricity bills calculated on the basis of the total paid by each household, business, office, etc. Advertising is restricted to the maximum of 30 minutes a day.

. ERT 2 (the former YENED) is now under the jurisdiction of the Minister to the Prime Minister as a public service and no longer belongs to the Ministry of the Armed Forces. It is governed by a 5 man Administrational Council and is financed solely through advertising.

There is no cable television in Greece nor any plans to operate a cable service.

IRELAND

Radio Telefis Eireann (RTE) (government controlled).

ITALY

In addition to "Radio Televisione Italiana" (RAI), the national company operating under licence, hundreds, and perhaps thousands, of private local radio and television stations have been operating and developing since the Constitutional Court's decisions of 1974 and 1976.

LUXEMBOURG

One radio and television organisation: the Compagnie Luxembourgeoise de Telediffusion (CLT), the trade name of which is "Radio-Tele-Luxembourg" (RTL). This is a private commercial company which operates under a state concession. There is a substantial French holding in CLT.

NETHERLANDS

The Netherlands Radio and Television Foundation (NOS) is the sole body in charge of the technical management of radio and television transmissions in the Netherlands. It co-ordinates its own broadcasts with those produced by political, religious or other organisations which are allocated broadcasting time by the Minister of Welfare and Health and for Cultural Affairs.

PORTUGAL

A public radio and television service is provided by two autonomous public companies:

- . "Radiodifusao Portuguesa EP" (RDP), and
- . "Radiotelevisao Portuguesa EP" (RTP).

RDP was founded in 1975 after the nationalization of nine radio stations and their merger with the existing national broadcasting company. There are four regional stations on the mainland as well as stations in Madeira and the Azores. There are also a number of private stations.

RTP covers more than 90% of the country on Programme 1 (VHF) and 60% on Programme 2 (VHF). There are 8 stations on the mainland and one each on Madeira and the Azores.

Broadcasting, and television in Spain, both having the legal condition of public service, are dealt with by different regimes:

- a. Public regime in the case of the television, carried out by a public society, TVE (Television Espanola):

TVE is now granting licences to the new Spanish Autonomous Governments to operate their own public TV channels. Two are already in operation in the autonomous regions of Cataluna and the Basque country.

- b. Public and private regimes in the case of radio.

The public broadcasting societies are:

- . Radio Nacional de Espana (RNE)
- . Radio Cadena Espanola (RCE).

The main private radio broadcasting networks are:

- . Sociedad Espanola de Radiodifusion (SER) (68 stations)
- . COPE (Network owned by Catholic Church) (45)
- . Antena 3 de Radio S.A. (26)
- . Emisoras Rato (19)
- . Radio 80 (18)
- . Compania de Radiodifusion Intercontinental (Inter) (4)

The introduction of private television is being considered.

UNITED KINGDOM

The United Kingdom has two radio and television organisations which differ in status and function:

- . The British Broadcasting Corporation (BBC) which produces and transmits on two television channels, four national radio services, separate substantially independent services for Scotland, Wales and Northern Ireland, and twenty-nine local radio stations. It produces a high proportion of its output.
- . The Independent Broadcasting Authority (IBA) which does not itself produce programmes but transmits, supervises and regulates those produced by 15 independent television companies and 39 independent local radio companies with 9 more to start soon. Regulations include directives on the contents of programmes. All of these programme companies have private status.

A new fourth television channel, governed by the IBA, which uses material largely made by independent programme makers and also by other IBA companies, began broadcasting in 1982.

In Wales, the fourth television channel has been given over to a Welsh language broadcasting organisation (S4C).

FUTURE BROADCASTING STRUCTURES

- 8.1. Because of the revolution in the options open to people, television broadcasting will change. It is unlikely that people will watch television continuously as they do now. They are more likely to mix direct broadcasts with films and television programmes played on equipment at home. Films and television programmes can now be rented for home showing and programmes can also be recorded at home for replaying.
- 8.2. There are also increasingly complicated video games which may be more absorbing than many programmes.
- 8.3. A huge variety of information is becoming available on Videotex systems. Viewers can call up constantly up-dated news, weather and travel information. There are recipes and stock market prices, sports scores and food prices.
- 8.4. Equipment has been developed which will allow viewers at home to ask for information such as the balance in their bank account to be displayed on their television screen.
- 8.5. The advantage of all these facilities is that they are available when the viewer wants them.
- 8.6. Although programmes broadcasting by conventional or satellite transmissions or cable will continue, it is likely that more and more demand will come for the provision of facilities to be available when the viewer wants them and that more and more effort will be devoted to satisfying this demand.
- 8.7. The chief characteristic of this change will be that a very wide range of individual tastes will demand to be satisfied and it is likely that this demand can be met best by specialists in certain fields or programme making rather than by the present large structures in broadcasting.
- 8.8. Public Service Broadcasting
 - 8.8.1. Public service broadcasting funded exclusively from licence revenue is now rare in Europe but the present public service organisations will become increasingly vulnerable and will decline in size and influence.
 - 8.8.2. This will be forced not only by the technological changes which can make it much easier to satisfy particular demands but by economic pressure. Continually rising costs will make the system of funding broadcasting by licence fees more difficult and perhaps eventually impossible. Public service broadcasters are going to face increasing public resistance to increases in licence fees as alternative services become more easily obtainable. Public service broadcasters will have to consider alternative finance such as pay TV or becoming major distributors of their own programmes for home viewing.

8.8.3. Public service broadcasting organisations may be declining in influence but they do have assets to exploit:

- . their great experience in many areas of broadcasting;
- . their ability to report events instantaneously or very quickly;
- . high quality equipment.

8.8.4. While many experienced employees of public service organisations leave to become independent programme makers, and the scope for them looks likely to increase substantially, there is a great deal of experience available which would enable the organisations to produce programmes with an eye to the videogram home market as well as broadcasting. They have the equipment to make technically high quality programmes, they need the management vision to exploit this ability fully.

8.8.5. If they do not, they not only run the risk of losing a valuable source of revenue but also of losing skilled staff and public interest.

8.8.6. The existing public service organisations also have the equipment and the experience to mount fast and effective news coverage of unexpected events. This is, more often than not, likely to be of accidents and disasters in which there is a predictable public interest. If they put emphasis on this service they could hold the loyalty of a reasonable slice of their present audience.

8.9. Commercial Sources of Revenue

8.9.1. These are likely to become more diffuse as the pattern of broadcasting changes. They are also likely to become more important as public resistance to increasing public service licence fees grows.

8.9.2. In spite of the considerable restrictions on advertising in the broadcasting systems of the EEC there is a great demand for advertising time; the extraordinary demand for the tightly restricted advertising on German television is a testament to this. A list of the limits on advertising allowed is in Annexe 2.

8.9.3. The most likely area in which commercial funds will be spent is in cable television. It is a system which is expanding and which is capable of enormous variety.

8.9.4. There is no adequate indication of the likely growth of satellite receivers.

8.10. Video Recordings

8.10.1. Programmes made specially for home viewing seem set to become a major area of growth in the communications business.

8.10.2. It cannot be foreseen with certainty how such programmes will be distributed but, if the gramophone industry is a guide, then many will be marketed by organisations which contract to market the work or commission and fund it themselves.

8.10.3. It is possible that such programmes could be made by large commercial organisations which attach their names to programmes of a general interest kind, such as a major oil company sponsoring a series of programmes about the countryside and its birds, animals and plants.

8.10.4. It is also probable that the makers of videogram programmes could co-operate with the broadcasters and cable operators to show a programme made for home distribution. This has already happened.

CHAPTER 4

FUNDING

9.0. There are generally two ways to fund broadcasting:

- . Public funds - budget allocations or a licence fee;
- . Commercial sources - usually advertising;
- . A combination of these;
- . There are also other minor sources of income.

9.1. The Receiving Licence

9.1.1. This is really a form of taxation in which the audiences for radio and television programmes pay for the entitlement to use their receivers. It can also take the form of a subscription (Italy).

9.1.2. Apart from the amount of the receiving licence fee and the way it is calculated, there are marked differences from country to country between the arrangements for collecting it, and the conditions for its allocation, although, logically, only public utility or public law organisations can have the use of it. For such organisations, it is either the only source of income, or at least the most sizeable; advertising, when it is authorised, accounts for a smaller proportion of total revenue.

9.1.3. Generally, the amount of the licence fee is fixed every year either by the government or by the directors of the beneficiary organisations acting under the control both of their governing bodies (or similar organs) and of the competent authority. In many countries, too, the agreement of parliament is required, usually on the occasion of adopting the budget; for example, the United Kingdom Parliament agreed in 1991 to a licence fee lasting for three years.

9.1.4. A further characteristic of the licence fee which is common to several countries is that its amount varies according to which service is being financed: it is considerably less high for sound radio than for television, and higher for colour television than for black-and-white.

9.1.5. This differentiation sometimes goes further. In Portugal, for example, the radio tax is calculated in terms of domestic electricity consumption and is collected by the electricity supply authority, whereas the television tax continues to be in the form of an ordinary fee collected by the national television organisation (RTP).

9.1.6. The tax applicable to sound radio receivers only, has been abolished in the United Kingdom and, more recently, France.

9.1.7. In some countries the fee is payable directly to the broadcasting organisations (Federal Republic of Germany and Italy), in others it passes through the post office which withholds a certain percentage in transit to cover the costs which sometimes include the cost of maintaining the network. A system of this kind operates in Belgium and the United Kingdom.

9.1.8. In France, on the other hand, the fee is collected by the state and the total is entered provisionally in a special treasury account and then divided, under the aegis of a commission chaired by a magistrate and in accordance with criteria laid down by decree, and after the parliamentary delegation in broadcasting has given its opinion, between the national programme contractors and the public broadcasting establishment.

9.2. Advertising

9.2.1. A distinction has to be drawn between the broadcasting companies of a private nature for which advertising is virtually the sole source of income, and the public companies for which advertising is only an extra resource. "Radio-Tele-Luxembourg" (RTL), for example, falls into the first category since its broadcasting and advertising activities are based entirely on commercial profit-making criteria as are the multitude of private stations in Italy.

9.2.2. Where public law or public utility organisations are concerned, there are two member countries which practise a total ban on advertising: Belgium and Denmark, although both are considering proposals to introduce advertising (as in Norway and Sweden, the other two countries in Europe which do not permit advertising in the broadcast media).

9.2.3. Belgium, Denmark, Germany, Italy and the United Kingdom have broadcasting organisations which do not permit advertising.

9.2.4. Even when it is authorised, advertising is only allowed within certain limits and on condition that certain rules are observed. These limits and rules vary from country to country:

- . to their duration in relation to total daily broadcasting time (France, Italy in the case of RAI, Netherlands, Portugal, Federal Republic of Germany, United Kingdom in the case of the IBA);
- . to the volume of revenue which such broadcasts represent in relation to total receipts or in relation to receipts per advertiser (France);
- . to certain times of day (Ireland, Netherlands, Federal Republic of Germany, Spain);
- . to certain days of the week (advertising is prohibited on Sundays and public holidays in Ireland and the Federal Republic of Germany);
- . to the type of product (tobacco, alcoholic beverages and some pharmaceuticals) and to some sectors of industry for which advertising is not permitted (France and Netherlands).

9.2.5. Similarly, while publicity in the form of sponsored broadcasts is authorised in some countries, such as Ireland and the Federal Republic of Germany, it is expressly forbidden in most others. The availability of new technologies may require a re-think on the present ban on this system of financing, given certain strict limitations.

9.2.6. Where regulations on broadcast advertising are concerned, there are general ethical principles which are the rule everywhere: in particular that advertising must be clearly recognisable and presented as such. Some countries have adopted a "block" system, by which all advertisements are shown during a specific period, although other countries prefer the "spot" system, allowing advertisements to be shown between programmes and during natural breaks in programmes.

9.2.7. In addition to the regulations, every country has its own regulatory authority created by the broadcasting organisations themselves.

9.3. Regulation of Advertising

9.3.1. In the development of its broadcasting system every country has created its own individual system of regulation and self-regulation for advertising. Annexe 2 gives a picture of the variety of restrictions on the time available for broadcast advertising currently in force. There are many other prohibitions or restrictions on specific product groups which have been produced haphazardly in each individual Member State. The list of advertising prohibitions and restrictions in Annexe 3 gives a good indication of the limitations on advertising. Most obvious are the difficulties with trade marks and brand names.

9.3.2. There are fears that the spread of new technology with commercial advertising will adversely affect newspapers and magazines' ability to attract advertising. This has not been borne out by experience in the United States of America, nor was it the case when commercial television was introduced in the United Kingdom. These fears would seem to owe more to a dislike of competition than to concern based on evidence and studies have not borne out the fears.

9.3.3. It is obviously essential that there should be care in the governing of advertising. The advertising industry has recognised this and there are various efficient systems of self-regulation in each Member State which complement legislation in the matter of advertising control.

9.3.4. It is important to realise that legislation on matters of, for example, taste or in the specific and very technical areas with regard to advertising for the broadcast media would be difficult, if not impossible, to draft. For this reason the self-regulation practised by the media and the advertising industry itself is most important and should be encouraged.

9.4. Other Sources of Income

9.4.1. These are very small and account for only about 5% to 10% of total income. In the case of the BBC, only 1-2% of turnover is accounted for by other sources of income such as publications.

9.4.2. Additional resources can come from:

- . pay tv;
- . revenue from additional commercial activities such as the sale of publications, films or programmes;
- . gifts and legacies;
- . subsidies, in particular from the state budgets, which may in some cases cover possible deficits but may also be allocated to the financing of special services such as the BBC's overseas service (United Kingdom) or the foreign radio broadcasts of the Deutschland Funk and the Deutsche Welle in the Federal Republic of Germany and of Radio-France Internationale in France.

9.4.3. There may also be refunds of expenses incurred by services such as the BBC for the Open University and those of Danmarks Radio for the Danish Ministry of Education.

9.4.4. With the advent of new technologies, and in particular pay television, other sources of income may become much more important to the broadcasting institutions. In a recent important report prepared for the British Home Office by Lord Hunt, it was recommended that some cable television services should be given over to the BBC for a pay television experiment. It seems unlikely that the public subscription system available in the USA will be used in Europe.

CHAPTER 5

FUTURE LEGAL DIFFICULTIES

- 10.0. One of the primary purposes of the EEC is to make cross-frontier trading and marketing within the Community much easier. Differences in national standards, differences in national laws, differences in national procedures all make this difficult and much of the Commission's work is in breaking down these obstacles.
- 10.1. There are, however, existing legal difficulties which could create difficulties initially in cross-frontier broadcasting by satellite and cable distribution.
- 10.2 These are principally in:
- . Trade Marks;
 - . Copyright;
 - . Advertising prohibitions;
 - . Performers' rights.
- 10.3. Work is going on in the Commission and other bodies to resolve these problems but satellites will probably be operating before these difficulties have been resolved. The likelihood is that any difficulties which arise will be dealt with in the evolution of practice in this type of broadcasting rather than by pre-regulation.
- 10.4. There is a body of opinion which does not want to see legislation and which would prefer a code of conduct between broadcasters.

GENERAL CONSIDERATIONS

11.0. The most important consideration in the future of broadcasting and the other elements which are emerging as the media of the future is that people should have a variety of sources from which to choose.

11.1. Article 10 of the Council of Europe's Convention for the Protection of Human Rights and Fundamental Freedoms declares:

"Everyone has the right to freedom of expression. This right shall include freedom to hold opinions and to receive and impart information and ideas without interference by public authority and regardless of frontiers."

11.2. Experience has shown that there is a clear link between economic liberty and political freedom. The greatest aid to the freedom of expression is wide ownership of the means of broadcasting.

11.3. The greatest threats to freedom of expression come from monopolies, even when they seem to be benevolent. These could be monopolies of ownership or employees. The danger is greatest where the ownership is in the hands of the state but there are also risks when a single commercial owner has a monopoly.

11.4. The dropping of the news and current affairs section of the Irish Republic's special programme for American cable television in response to pressure from state advertisers in December 1981 was one of the most serious acts of censorship seen in a democracy. The advertisers, government agencies which included the Irish Tourist Board, the Irish Development Authority and Aer Lingus, felt their efforts to attract tourists and industrial investment to Ireland were being hampered by the showing of news of terrorism, political conflicts and industrial difficulties. They successfully pressed the government run broadcasting organisation RTE to drop the news and current affairs section from the programme.

11.5. There is also a grave danger in the monopoly unionisation of broadcasting staffs, particularly editorial staffs. While many trade unionists may only wish to see the protection of employees, the complete unionisation of staffs either in a single union or in specialist unions for particular types of work, could be exploited by the unscrupulous to interfere with the free flow of information.

11.6. Quantity Versus Quality

11.6.1. There is always concern that an increase in quantity would automatically lead to a fall in the quality of broadcast programmes. The experience of America is often cited as an example of more equalling less.

11.6.2. Although this may be true of conventional television programming, the availability of new technologies will provide the viewer not with more of the same but a much greater choice and availability of new techniques in the audio visual media if Member States have the courage to seize the opportunities available to them.

CHAPTER 7

CITIZENS' BAND RADIO

- 12.0 The growth within the past decade of Citizens' Band or CB radio in the Community has been striking. Arriving primarily from the United States and initially seen by many as little more than a passing gimmick, CB radio has now established roots in all the Member States and become a regular means of communication between a large number of Community citizens.
- 12.1 In its initial years, however, CB radio has also experienced difficulties, especially from the broadcasting regulations under which it must operate.
- 12.2 CB radio has found itself subject to widely differing legislation, mainly of a technical nature, throughout the Community. The result of the current legal framework has been to severely limit the freedom of movement of CB operators. Furthermore, it is not only their freedom of movement which may be affected but also their freedom of expression. CB users may only broadcast on certain frequencies thus restricting their communication range.
- 12.3 In drawing up this report two matters have been particularly important. Firstly, to underline the existence of CB radio as a genuine means of broadcasting and secondly to urge the responsible authorities to enter into negotiations with CB radio operators with a view to arriving at a point where neither the freedom of movement nor the freedom of expression of CB radio operators would be unduly interfered with by legislation.
- 12.4 The opinion of the Parliament's Committee on Transport, which is annexed to this report, deals in detail with the questions of the coordination of regulations relating to Citizens' Band Radio.

CHAPTER 8

LOCAL RADIO

- 13.0 Throughout the Community, local radio is becoming an established means of broadcast communication. It fulfills an important function in providing information, education and entertainment on a local level while also acting as a complement to national and regional radio stations.
- 13.1 One of the main reasons for the success of local radio has been its listeners' ability to easily identify themselves with it. By being often a community-run venture it has strengthened ties among local populations and helped to spur on local initiatives and projects.
- 13.1.1 Most people, and certain groups in particular, have come to rely on local radio along with the local press, to find out what is happening in their own area.
- 13.1.2 Local radio has greater flexibility than the local press and as a result is often able to provide more up-to-date information concerning, for example, changes to local events, weather reports and traffic conditions.
- 13.1.3 Experience has shown that radio need not adversely affect the local press. Indeed both can help each other. Apart from the stimulation of competition, usually friendly, local radio can only provide brief information which people can get at greater length in the local papers.
- 13.2 For ethnic and cultural minorities local radio is of particular importance. It is a major force in helping to maintain and strengthen their distinct identity in language, customs, religion and many other activities. Local radio can be a strong focal point in such communities. It has often been claimed that the richness of European culture lies in the diversity of its peoples; local radio is becoming one of the main sources of support for such cultural diversity.
- 13.3 For immigrant communities within the EEC, local radio often broadcasting in their native language provides essential information and advice. By broadening awareness of their ethnic and cultural values, local radio can help assimilate such communities with the wider population and play a part in avoiding the alienation of such groups and the consequent problems which that poses.

- 13.4 Local radio also provides another service for immigrant populations, and not only for immigrants of non-European states but also for those from Ireland, Italy, Greece, Spain and Portugal, countries with a long history of emigration. This service is the link it creates with the immigrants' mother-country, not only by providing news but also by radio link-ups which help to preserve family ties.
- 13.5 Local radio is also important for those living in border areas within the Community. Rather than feeling as though they are on the periphery of one Member State, local radio can help promote cross-border contact and a greater sense of a European awareness. Indeed, the solemn declaration on European Union issued by Heads of State or Government of the Member States at their meeting in Stuttgart in June 1983 drew particular attention to the role cultural co-operation can play in strengthening a European identity. In such a context local radio in border areas is an important factor.
- 13.6 Local radio has also a role to play for business and industry, particularly for small and medium-sized enterprises. These firms are often unable to afford the advertising costs of national radio and moreover national advertising may be of little benefit to them as they are often only equipped to meet local demand. For such firms the cheaper cost and greater effectiveness of advertising on local radio should not be under-estimated.
- 13.7 While local radio is developing in all the Member States the framework within which it operates differs widely. From a legal viewpoint some countries have long established legislation while others are only in the process of introducing it. The content of such legislation may also vary between one Member State and another, from requiring local radio to be a joint venture between local interests and the national radio network to permitting privately-owned commercial local radio.
- 13.8 While your rapporteur feels that the institutions of the Community have no role to play in the administration of local radio, there are a number of basic developments which could benefit local broadcasting.

Firstly, local radio ought to be established on a firm legal basis so as to enable standards to be set. Secondly, the governments of Member States should bear local radio in mind when formulating broadcasting policy. Thirdly, while central government has a broad regulatory role to play in local radio, it should be noted that for local radio to be successful a major element of decentralised control and input is essential.

CHAPTER 9

News Film Agency

- 14.0 The concept of a news film agency is in itself not a new one; what is new, however, are the possibilities which new broadcasting technology presents for its development.
- 14.1 Within the Community news film agencies have been in existence for over twenty-five years providing a service for established television and radio stations. A Eurovision News Exchange has operated for several years and has on numerous occasions received material from the European Institutions.
- 14.2 With the advent of cable television and direct satellite broadcasting, the possibility of a continuous news channel offered by satellite to either cable operators or individual viewers may be imminent. To date, the nearest approximation to such a service has been the growth in tele-text broadcasting, though it is currently limited to a textual presentation and limited broadcasting time and distribution.
- 14.3 As direct satellite broadcasting will be first available to cable systems, they may also have the first opportunity to offer continuous news service. Although pioneered in the U.S.A., there is probably a greater potential demand for such a service in Europe than in America. There is, however, a real danger that this demand will be met by a U.S. based and U.S. financed organisation unless there is an early European initiative.
- 14.4 The advantage of a European or Community based news film organisation is that it could be possible to develop an editorial style which is genuinely Pan-European, recognising the international rather than national, news values of the day. Major EEC and Parliament activities could be incorporated more easily into the service.
- 14.5 Market research has suggested that the European cable audience may increase from 12 million connected households at the end of 1984 to 20 million by 1988. However, not all of these potential viewers are in countries where the existing regulations permit the reception of international programming distributed by communications satellite.

If viewing levels in Europe for continuous news programming are comparable with those in the United States, it is feasible that a European News Film Organisation could become self-financing from advertising and/or subscription revenues by the late 1980's.

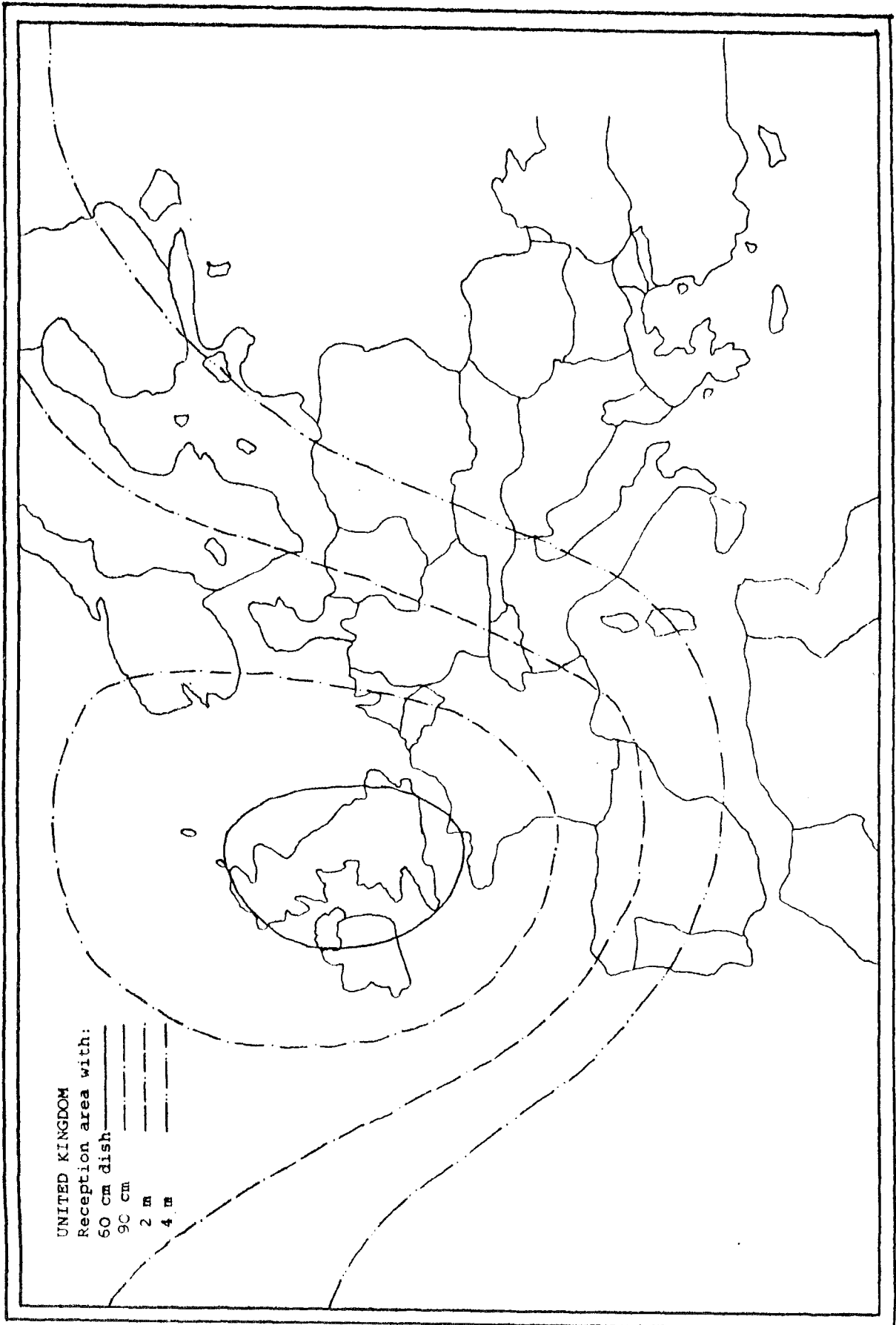
- 14.6 It has been stated that within Europe the potential viewing market would only be sufficient to support one Pan-European news channel in the next 5 - 10 years. Bearing in mind the earlier remarks on American competition it is important that a European News Film Organisation be established soon.
- 14.7 As a European News Film Organisation may require deficit financing in an early stage, it would be beneficial if its initial investors were from both the public and private sectors.
- 14.8 There may also be a case for involvement of the European Community in the organisation's initial funding. It would demonstrate the European character of the service and indicate the underlying Community support for it.
- 14.9 Due to the speed of technological development in the area of broadcast communication, it is essential that a European News Film Organisation be created soon and that it be given from an early stage the encouragement and support of the Community Institutions.

CHAPTER 10

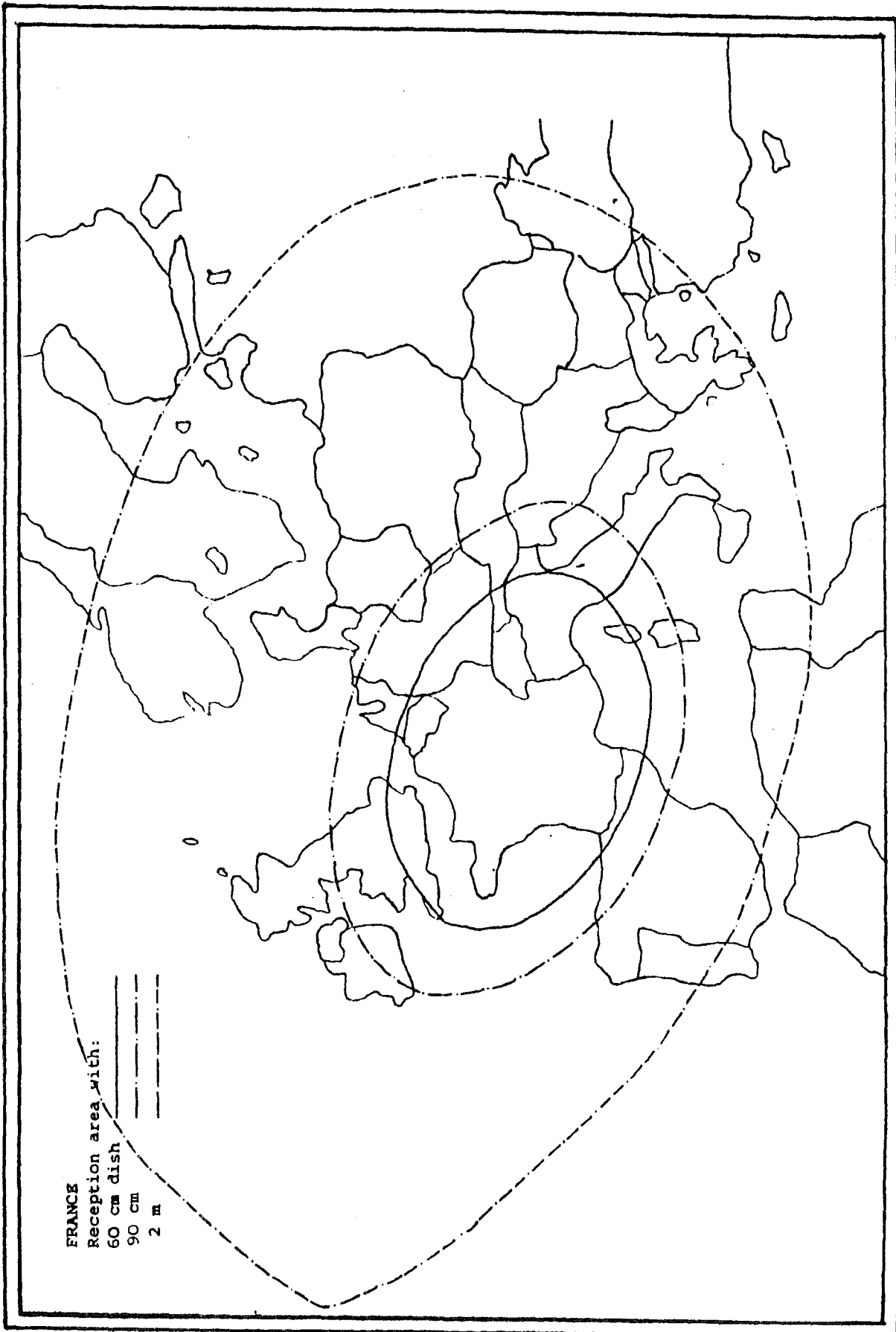
CONCLUSIONS

- . Broadcasting is changing rapidly;
- . The future cannot be considered on the basis of past and present structures;
- . The public is likely to watch direct broadcasting less;
- . Viewers will have a much wider choice available from sources outside direct broadcasts;
- . A much wider range of tastes is likely to be satisfied by new techniques;
- . These are likely to be met by small independent companies producing videogram programmes for specific audiences;
- . The public is likely to resent increasing licence fees;
- . The most practical finance for these operations will be commercial;
- . The best guarantee of freedom of information is wide ownership and funding of the sources of broadcasting.

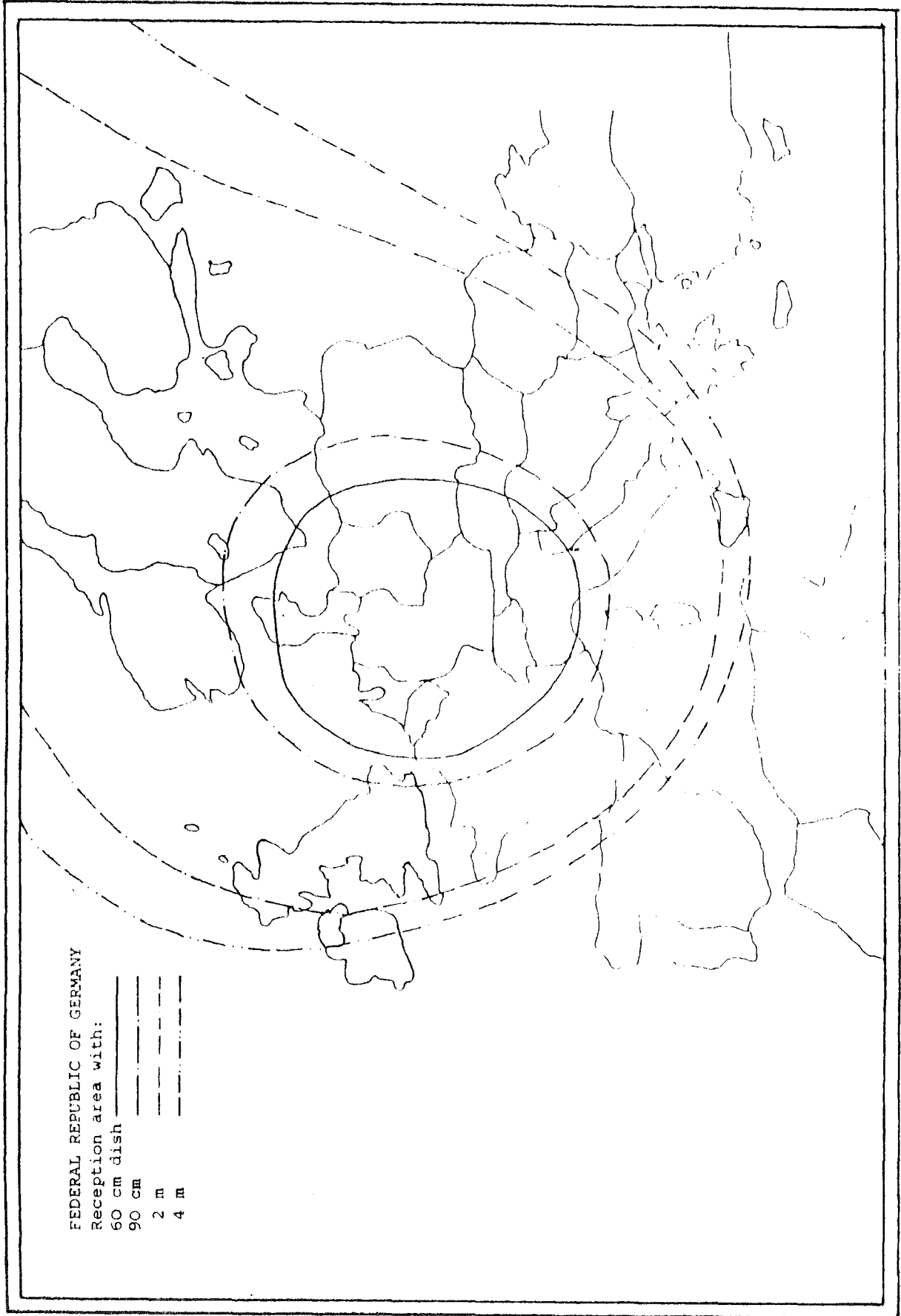
ANNEXE I



ANNEXE I



ANNEXE I



ANNEXE 2

DURATION OF TELEVISION ADVERTISING PERMITTED

<u>NATION</u>	<u>STATION</u>	<u>MAXIMUM DURATION PER DAY</u>	<u>COMMENTS</u>
BELGIUM		No advertising	Under consideration
DENMARK		No advertising	Under consideration
FRANCE	TF 1	18 minutes	
	A 2	18 minutes	
	FR 3	18 minutes	
GERMANY	ZDF	20 minutes	In 4 blocks between 1730 and 1930
	ARD 1	20 minutes	In 4 blocks between 1800 and 2000
	ARD 2	No advertising	Regional
GREECE	ERT 1	30 minutes	
	ERT 2	Variable	
IRELAND	RTE 1	58 minutes	Limited to average 6 minutes per hour, maximum 7½ minutes per hour.
	RTE 2	25 minutes	
ITALY	RAI 1	28 minutes	Only at specified times
	RAI 2	28 minutes	
	RAI 3	No advertising	
	Private stations	15% per hour	
LUXEMBOURG	RTL	68 minutes	Only at specified times
NETHERLANDS	NETH 1	15 minutes	Three blocks next to evening news programme
	NETH 2	15 minutes	
PORTUGAL	RTP 1	90 minutes	
	RTP 2	45 minutes	
SPAIN	TVE 1	57 minutes	At regular half hour or hourly intervals, mainly in the evenings from 1900.
	TVE 2	42 minutes	
UNITED KINGDOM	BBC 1	No advertising	
	BBC 2	No advertising	
	ITV 1	90 minutes	Limited to average 6 minutes per hour. Maximum 7 minutes per hour.
	Channel 4	50 minutes	

ANNEXE 3

PROHIBITIONS AND RESTRICTIONS ON ADVERTISING ON TELEVISION IN DETAIL

<u>BELGIUM</u>	No commercial advertising.
<u>DENMARK</u>	No commercial advertising.
<u>FRANCE</u>	Alcoholic beverages, tobacco, press, records, housing, margarine, retail outlets, jewellery, correspondence courses, textiles, temporary staff organisations, airlines, computers, tourism, mail order, weight reducers, entertainment.
<u>GERMANY</u>	Cigarettes, prescription drugs, advertising to or with children.
<u>GREECE</u>	Cigarettes (by 1978 oral order), medicines and drugs except over the counter products where the text has been approved by the Ministry of Social Welfare, agricultural medicinal products except where the text has been approved by the Ministry of Agriculture. Toys can only be advertised on ERT 1 once a day after 2130. There may be further restrictions on alcohol, advertising for children and advertising which includes women. There is also a proposal for a 30% tax on television advertising.
<u>IRELAND</u>	Cigarettes, tobacco, spirits, contraceptives, moneylenders, contact/corneal lenses, advertising to or with children. There may be further restrictions on advertising portraying women and on all alcohol.
<u>ITALY</u>	Tobacco, guns and accessories, weight reducers, records, tapes, cars, motorcycles over 125cc, boats, outboard motors, jewellery, furs, gambling houses, horse racing competitions, lotteries, moneylenders, fortune tellers, matrimonial agencies, funeral services, cruises, tours, entertainment, theatre, books, newspapers, magazines, pet foods.
<u>LUXEMBOURG</u>	Cigarettes and tobacco, contraceptives, political parties, religious organisations, private detectives, etc. Everything that would be offensive to general morality and customs. Medicines and drugs in general (but common pain reliever "bland-aids" and generally "non-curative" pharmaceutical specialities are tolerated). Alcohols are accepted (beers, wines and distilled alcohols) but not around programmes addressed to children or young people. Toys and products for children are accepted but they cannot occupy more than one half of the total length of any given commercial break.

NETHERLANDS

Tobacco, prescription drugs, medicinal drugs and methods of treatment, weight reducers, alcoholic beverages, courses of instruction, sweets containing sugar, political and religious organisations.

PORTUGAL

Tobacco, alcoholic beverages before 2130.

SPAIN

Cigarettes and alcohol with a percentage over 23%/100 ml.

UNITED KINGDOM

Cigarettes, political organisations, religious bodies, bookmakers and racing tipsters, breath testing devices and products to mask the effects of alcohol, matrimonial agencies, correspondence clubs, fortune tellers and similar people, undertakers and others associated with death or burial, unlicensed employment services, registers and bureaux, private investigation agencies, privately owned personal or consumer advice services, charitable bodies, branded contraceptives, sanitary protection, smoking cures, alcoholism treatment products, contact or corneal lenses, hair and scalp treatment clinics, haemorrhoid treatment products, pregnancy testing services, hypnosis, hypnotherapy, psychology, psycho-analysis or psychiatry, football pools, 'girlie' magazines and commodity investment.

There are also widespread restrictions in permitted advertising in such subjects as alcohol, medicines and treatments, financial advertising and advertising for children.

EUROPEAN PARLIAMENT

Working Documents

1980 - 1981

19 September 1980

DOCUMENT 1-422/80

MOTION FOR A RESOLUTION

tabled by Mr SCHINZEL, Mr GABERT, Mr VAN MINNEN,
Mr LINKOHR, Mr WALTER, Mr Gerhard SCHMID,
Mrs WIECZOREK-ZEUL, Mr RUFFOLO, Mr PULETTI,
Mr SCHWENCKE, Mr WOLTJER, Mr CABORN, Mr SEELER,
Mrs WEBER, Mrs SEIBEL-EMMERLING, Mr WETTIG,
Mr SCHIELER, Mrs HOFF, Mr HÄNSCH, Mr WAGNER,
Mr PETERS, Mr LINDE, Mrs FUILLET, Mr J. MOREAU,
Mr GLINNE, Mr ESTIER, Mr BOYES, Mr DIDÓ',
Mr PELIKAN, Mrs LIZIN, Mrs SALISCH, Mr ADAM,
Mr GRIFFITHS, Miss QUIN, Mr SEEFELIX, Mr RADOUX,
Mr COLLA and Mr FERRI

pursuant to Rule 25 of the Rules of Procedure

on the threat to diversity of opinion posed
by the commercialization of new media

The European Parliament,

- aware of the great importance of the new media in shaping the future, e.g. through satellite television, communication by cable, etc.,
 - deeply concerned at the massive efforts being made to introduce new media for commercial use,
 - having regard to the consequent risk of greater commercialization of all the media and the associated threat to the freedom of information and to our democracies,
 - wishing to promote the exchange of information,
 - having regard to the 1978 UNESCO resolution which recognizes each country's right to national identity specifically in matters of media policy,
 - in the knowledge that Luxembourg and Switzerland intend to broadcast by satellite special television commercials directed at neighbouring countries,
 - having regard to the decision by the European Court of Justice that the restriction of commercial broadcasting is compatible with the EEC Treaty if it is imposed on the grounds that it is in the public interest,
 - wishing to prevent programmes being reduced to a vehicle for advertising,
 - conscious that public radio and television companies, such as those existing in the Federal Republic of Germany, form an important part of the democratic community,
 - conscious that radio and television broadcasting across frontiers for commercial purposes represents a major threat to the press in our Member States.
1. Asks the Commission and the Council to submit without delay a report on the situation and the development of the media in the Community (media report);
 2. Calls upon the Commission and the Council to take appropriate steps, in the light of the two rulings of the Court of Justice concerning cable television in Belgium, in respect of all the Member States with a view to shaping the future structure of the media and
 3. To reject any transfrontier measures which endanger public or other similar, independently organized, radio and television broadcasting companies such as those in the Federal Republic of Germany and the Netherlands, and
 4. To submit to the European Parliament a proposal for European rules on radio and television broadcasting based on consultations with consumers, consumer organizations (trade unions, associations, etc.) and existing companies. These rules should also ensure that the 'new media' help citizens to take a more active part in the information process, enhance their powers of judgment and develop their social potential. The aim must be to ensure diversity in the choice of programmes, but also to avoid economic power structures;
 5. Instructs its President to forward this resolution to the Council, the Commission, the Governments of the Member States and UNESCO.

European Communities

EUROPEAN PARLIAMENT

Working Documents

1981 - 1982

9 April 1981

DOCUMENT 1-130/81

MOTION FOR A RESOLUTION

tabled by Mr VANDEMEULEBROUCKE

pursuant to Rule 25 of the Rules of Procedure

on local radio stations

The European Parliament.

- whereas a sensible media policy is an essential element of cultural and social life,
 - whereas the Member States should delegate such a policy to the various regions, particularly in the case of border areas and all regions which have an individual ethnic culture,
 - noting the increase in the number of free local radio stations,
 - considering that this is a positive development, as such stations may complement national and regional stations,
 - noting that, notwithstanding the need to regionalize media policy, the emergence of free local radio stations, however much they may promote and cement community life in the cities and provide opportunities for social regeneration, should not lead to uncontrolled proliferation, particularly as from the technical point of view, there are insufficient broadcasting facilities available,
 - faced with a total lack of harmony in the legislation of the various Member States,
1. Calls on the Commission to draw up a recommendation making free local radio stations subject to effective rules, the implementation of which can be monitored;
 2. Considers that rules of this kind should take account of the population density of a given area (for example, countryside, town or city), assuming an average transmission range of 8 km, and at the same time of justified demands for broadcasting facilities on the part of cultural or ethnic minorities, who should of course be given larger-range facilities;
 3. Calls on the Commission to investigate the practicability of involving the local population in the programme planning of free local radio stations so that the latter do not indulge in 'plugging' records or become recognized one-man stations;
 4. Asks that the investigation should take account of the principle that a recognized free local radio station has three functions to fulfil, namely entertainment, information and education.

EUROPEAN PARLIAMENT

Working Documents

1981 - 1982

20 November 1981

DOCUMENT 1-790/81

MOTION FOR A RESOLUTION

tabled by Mr HUTTON and Lady ELLES

pursuant to Rule 47 of the Rules of Procedure

on the coordination of specifications for
Citizens' Band radio

The European Parliament,

- having regard to Articles 30-36 of the Treaty of Rome,
 - having regard to the recommendations of the European Committee on Posts and Telecommunications (CEPT) on the specifications for Citizens' Band radio in Europe,
 - having regard to the differences which exist between the specifications of Member States,
 - having regard to the Commission's uncompleted study of the differences between Member States' regulations,
1. (a) Believes that technical barriers to trade are being created while specifications are uncoordinated;
(b) Believes that these barriers are contrary to the Treaty of Rome;
 2. Believes that the lack of coordination in specifications significantly reduces the opportunities for European manufacturers;
 3. Believes that the failure to coordinate specifications causes unnecessary confusion and distress to a large number of European citizens who own and operate CB radios;
 4. Believes that the failure to coordinate specifications makes it much more difficult to overcome interference caused by CB operators to other electronic equipment;
 5. Calls on the Commission to produce proposals for the coordination of CB specifications urgently;
 6. Calls on the Commission to report on:
(a) the present state of its study of national CB regulations;
(b) the likely areas of coordination it envisages;
 7. Calls on the President to forward this resolution to the President of the Commission and to Member States governments.

EUROPEAN PARLIAMENT

Working Documents

1981 - 1982

20 JANUARY 1982

DOCUMENT 1-950/81

MOTION FOR A RESOLUTION

tabled by Mr A. HUTTON

pursuant to Rule 47 of the Rules of Procedure
on the establishment of a European newsfilm
agency

PE 78.983/fin./Ann. VII

The European Parliament.

- whereas the international supply and distribution of newsfilm is dominated by a small number of agencies, mainly American,
 - whereas the European television companies have foreign correspondents posted throughout the world usually supplying daily reports for the national news programmes,
 - having regard to the high fees charged by the American newsfilm agencies for the material they supply to the Eurovision network,
 - appreciating that Eurovision is increasingly turning to current affairs film from the national television companies in Europe,
 - in the belief that the Community should act as one over the world-wide supply of information,
1. Calls for the establishment of a European newsfilm agency, to be founded and jointly financed by the European television companies;
 2. Believes it to be desirable that this television agency should have access to all foreign and domestic material held by the European television companies;
 3. Recommends that this material be updated for international purposes on a day-to-day basis and offered to customers via Eurovision;
 4. Instructs its President to forward this resolution to the Council and Commission of the European Communities.

European Communities

EUROPEAN PARLIAMENT

Working Documents

1982 - 1983

16 APRIL 1982

Document 1-120/82

MOTION FOR A RESOLUTION

tabled by Mrs R. DURY

pursuant to Rule 47 of the Rules of Procedure

on television advertising in the Member States

PE 78/983/fin./Ann. VIII

The European Parliament.

- whereas in some Member States television broadcasting is restricted to public monopolies consisting of one or more institutions, while other Member States permit private groups to organize television broadcasts, subject to certain conditions,

 - whereas some Member States do not permit television advertising either by public monopolies or by private groups, while other Member States authorize television advertising by public monopolies, private groups or both,

 - whereas, notwithstanding the differing national provisions on television advertising, many inhabitants of the Community are able to receive advertising from abroad, either by wireless or cable distribution,

 - whereas the technical opportunities for the broadcasting of television advertising are constantly growing, particularly through the use of satellites,

 - whereas the cultural, psychological, social and economic consequences of television advertising must be analysed, taking account of the different arrangements in the Member States,
1. Calls on the Commission to make a study of the cultural, psychological, social and economic consequences of television advertising, taking into account the different arrangements in force in the Member States;

 2. Considers that television advertising should be governed by the most stringent provisions common to the Member States concerned;

 3. Instructs its President to forward the motion for a resolution to the appropriate committee and the Commission of the European Communities.

European Communities

EUROPEAN PARLIAMENT

Working Documents

1983-1984

19 October 1983

DOCUMENT 1-877/83

MOTION FOR A RESOLUTION

tabled by Mrs PHLIX, Mr GHERGO, Mr ESTGEN, Mr VANDEWIELE,
Mr HAHN, Mr MARCK, Mr POTTERING and Mr KLEPSCH

on behalf of the Group of the European People's Party
(Christian Democratic Group)

pursuant to Rule 47 of the Rules of Procedure

on the harmonization of legislation on advertising in
the Member States

The European Parliament,

- A. having regard to the development of modern media,
- B. having regard to the growing interest in all Member States in the development of a 'European television network',
- C. having regard to the importance of advertising in funding operations,
- D. having regard to the cross-border character of the new technologies used in this field (i.e. cable and satellite),
- E. whereas it would be appropriate to harmonize advertising legislation,
- F. whereas harmonization in this area would be in the interests of consumers and of improved consumer protection,
- G. whereas such harmonization would contribute to achieving the objectives of the Treaty of Rome, particularly the development of a common internal market,

Requests the Commission:

- 1. To carry out an exhaustive survey of existing national legislation on advertising in general and advertising on television in particular;
- 2. To make the necessary proposals for the harmonization of national legislation on the basis of the results obtained;
- 3. Instructs its President to forward this resolution to the Commission and Council.

O P I N I O N

of the Committee on Economic and Monetary Affairs

Draftsman: Mr E. Van Rompuy

At its meeting of 21/22 September 1982, the Committee on Economic and Monetary Affairs appointed Mr Van Rompuy draftsman of the opinion.

The committee considered the draft opinion at its meeting of 21-23 November 1983 and adopted the conclusions contained therein on that date on a unanimous vote with 1 abstention.

The following took part in the vote :

Mr MOREAU (Chairman); Mr HOPPER (Vice-chairman); Mr van ROMPUY (Draftsman); Mr BEAZLEY; Mr CARROSSINO; Mr HALLIGAN (replacing Mr ROGERS); Mr HEINEMANN; Mr NORDMANN; Mr NYBORG; Mr PAPANTONIOU; Mr ROGALLA (replacing Mr SCHINZEL); Mr van den HEUVEL; Mr von WOGAU; Mr WELSH

The report was tabled on the 24 November 1983

The Committee on Economic and Monetary Affairs

1. Points out the great potential offered by the rapid technological developments in the telecommunications sector; stresses, however, that a coherent European policy is needed for both the European consumer and industry to obtain maximum benefit from this technological evolution, which will ultimately transform the domestic television receiver into a sort of terminal;
2. Notes that the laying down of European standards, which are of vital importance to the competitiveness of European industry, poses great problems and that progress is only being made very slowly; furthermore, draws attention to European industry's very weak competitive position if its products do not comply with the current standards for non-European products, which are flooding the market; urges therefore that the utmost efforts be made in order to lay down international standards;
3. Believes that cooperation in the field of space policy within the framework of the European Space Agency is reasonably good as long as it concerns research and development projects and that it is as a result of this cooperation that Europe is now competitive and independent in respect of launchers; stresses, however, that the ARIANE research programme must be continued and that a heavy launcher must be developed in order to guarantee Europe's competitiveness and independence in this field in the medium-term too;
4. Repeats its call, made in Parliament's resolution on European space policy¹, for a Commission report on Community activities in the field of space research and development, taking into account the consequences for technological innovation within European industry and indicating the possible funding requirements out of the Community budget and other sources;
5. Underlines the urgent need for cooperation between the European manufacturers in the satellite market, both in research and in production and marketing; calls on the Commission to ensure that the regrouping of European satellite manufacturers results in the desired cooperation;

¹ Doc. 1-326/81, resolution adopted at the plenary sitting of 18 September 1981, OJ C 260, 12 October 1981, p. 102

6. Draws attention to the enormous potential market which will develop from rapid expansion of available broadcasting time following the introduction of cable and satellite television on a massive scale and considers that this is an important source of potential employment and a major growth industry; calls on the Commission to urgently examine the implications of this development with a view to ensuring that European production companies can take advantage of this opportunity so that European productions made by European technicians can capture an appropriate share of this expanding market;
7. Points out also the possibility of setting up a truly European news service as a result of satellite broadcasting and that the Commission should take the necessary initiatives to bring about the requisite cooperation between the national broadcasting services and, possibly, to provide material on the Community;
8. Stresses the importance of laying down European standards for the new generation of television and finds the chaotic implementation of the videotex standard in the Member States regrettable; points out that the problems resulting from the differing standards are lessened to a certain extent by the system of cable network distribution that is now gradually being introduced in most Member States; advocates therefore the rapid expansion of cable networks in the Member States;
9. Urges, however, that agreement be reached as soon as possible, within the framework of the European Broadcasting Union, on a European code for television broadcasts by satellite and that the agreement on the C-MAC-PACKETS code, which could substitute progressively the existing code systems (PAL and SECAM), be signed by all Member States without delay;
10. Notes that, as a result of the non-compliance of European manufactured video equipment with the usual Japanese standards, the competitive position of European industry is extremely weak; points out that the only way to capture non-European markets is to lay down international standards, or, failing that, to gear production to the usual non-European standards; notes the inaction of the Commission, which, in response to a written question, said that it was aware that there was indeed no European video recording system available on non-European markets, but does not intend to take action in this field; calls on the Commission to take the necessary initiatives to achieve standardization if the standardization institutions are unsuccessful in this;

11. Notes that the Member States' differing regulations governing Citizens' Band radio give rise to difficulties for trans-frontier trade within the Community; believes that such barriers at borders are incompatible with Article 30 of the EEC Treaty; calls on the Commission to ensure standardization in this field, on the basis of a standard laid down by the European standards institutions, in order to remove these barriers to intra-Community trade;
12. Considers that the relative merits of FM and AM systems have not been sufficiently considered in public fora and requests the Commission to produce a report for the Parliament comparing the two systems.
13. Draws attention to the Court of Justice's opinions on the decision-making powers of national legislative bodies in laying down legal provisions for the media and for copyright rules;
14. Draws attention, however, to the fact that as a result of direct television broadcasting by satellite the Member States would lose control over the programmes that could be received within their territory (since the reception area for these broadcasts would extend beyond national borders); this problem would certainly be less serious if satellite broadcasts were mainly received via cable distribution networks, over which the Member States could still exercise strict control; if the technical standards applied by a Member State to the programmes which could be received within its territory were too strict, the Member State could not however prevent its citizens from receiving satellite broadcasts via their own aerials;
15. Points out that direct television broadcasting by satellite may result in a Member State's media-related legislation being circumvented, thus distorting competition and altering trade flows; calls therefore as a matter of urgency for the harmonization of the regulations relating to the media, more particularly advertising and copyright at European level, in order to ensure the proper functioning of the common market;
16. Reserves the right to return to this topic in the light of the 'Green paper', which has been announced by the Commission, on the gradual establishment of a common television market.

OPINION OF THE LEGAL AFFAIRS COMMITTEE

Draftsman : Mr Marc Fischbach

On 24 November 1982, the Legal Affairs Committee appointed Mr Fischbach draftsman of the opinion.

The committee considered the draft opinion at its meeting of 20/21 September 1983. It approved the conclusions (IV) on 19 October 1983 by 6 votes to 3, with 1 abstention.

The following took part in the vote : Mrs VEIL (chairman); Mr LUSTER (vice-chairman); Mr Fischbach (draftsman of the opinion); Mr B. FRIEDRICH, Mr GEURTSSEN, Mr JANSSEN van RAAY, Mr MEGAHY, Mr TYRRELL, Mrs VAYSSADE and Mr VIE.

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I. Introduction

1. The opinion is based on the following motions for resolutions under consideration by the committee responsible: (1) Doc. 1-422/80 on the threat to the diversity of opinion posed by the commercialization of new media, (2) Doc. 1-130/81 on local radio stations, (3) Doc. 1-790/81 on the coordination of specifications for the Citizens' Band radio, (4) Doc. 1-950/81 on the establishment of a European newsfilm agency and (5) Doc. 1-120/82 on television advertising in the Member States. It forms a contribution to the report by the committee responsible on the threat to the diversity of opinion posed by the commercialization of new media (PE 78.983).
2. It will be recalled that, on 26/27 October 1981, the Legal Affairs Committee delivered an opinion on the motion for a resolution (Doc. 1-422/80) on the threat to the diversity of opinion posed by the commercialization of new media (draftsman: Mr Sieglerschmidt, p. 28, Doc. 1-1013/81, report on radio and television broadcasting in the European Community - rapporteur : Mr Hahn).

On 12 March 1982, Parliament adopted its resolution on radio and television broadcasting in the European Community (OJ No. C 87, 5 April 1982, p. 110).

II. Basis in international law for the right to freedom of opinion

3. Article 19 of the Universal Declaration of Human Rights of 10 December 1948 states :

'Everyone has the right to freedom of opinion and expression; this right includes freedom to hold opinions without interference and to seek, receive and impart information and ideas through any media and regardless of frontiers.'

4. Article 10 of the Convention for the Protection of Human Rights and Fundamental Freedoms of 4 November 1950 specifies that:

'1. Everyone has the right to freedom of expression. This right shall include freedom to hold opinions and to receive and impart information and ideas without interference by public authority and regardless of frontiers. This Article shall not prevent States from requiring the licensing of broadcasting, television or cinema enterprises.'

2. The exercise of these freedoms, since it carries with it duties and responsibilities, may be subject to such formalities, conditions, restrictions or penalties as are prescribed by law and are necessary in a democratic society in the interests of national security, territorial integrity or public safety for the prevention of disorder or crime, for the protection of health or morals, for the protection of the reputation or rights of others, for preventing the disclosure of information received in confidence, or for maintaining the authority and impartiality of the judiciary.

- b. According to the case-law of the Court of Justice and to the Joint Declaration of 5 April 1977 by the European Parliament, Council and Commission, respect for fundamental rights, as provided for inter alia in the articles of the European Convention for the Protection of Human Rights and Fundamental Freedoms, is of prime importance (OJ No. C 103, 27 April 1977). The fact that, in its resolution of 29 October 1982 (OJ No. C 304, 22 November 1982, p. 253), the European Parliament recommended accession by the Communities to the European Convention on Human Rights underlines the special legal significance for the Community of the fundamental rights laid down therein.

III. Legal basis in Community law for countering the threat to the diversity of opinion posed by the commercialization of new media

6. In its resolution of 12 March 1982 (OJ No. C 87, 5 April 1982, p. 110), on radio and television broadcasting in the Community, Parliament called on the Commission to come forward with a report on the media, containing among other things details of the organization of the media in the Member States and specifying the legal justification for Community action in this field (see interim report COM (83) 229 final of 25 May 1983, in particular paragraph 48, p. 33).

In paragraph 7 of this resolution, Parliament considered that outline rules should be drawn up on European radio and television broadcasting, inter alia with a view to protecting young people and establishing a code of practice for advertising at Community level.

7. In order to guarantee the fundamental freedoms laid down in Article 10 of the Convention for the Protection of Human Rights, the Community has powers under the EEC Treaty to ensure that diversity of opinion is respected and that the commercialization of new media occurs according to legally acceptable standards.
8. Pursuant to Article 2 of the EEC Treaty, a basic objective of the Community shall be to promote 'closer relations between the States belonging to it' and, according to Article 3(c), part of the Community's remit is to ensure 'the abolition ... of obstacles to freedom of movement for ... services ...'.
9. The media which gave rise to the own-initiative report, namely radio and television, represent nothing new from a technical point of view; it is the perfecting of broadcasting techniques which is the fresh factor (cable and satellite broadcasting).
10. From a legal point of view, radio and television broadcasting constitutes a service. In the case of television broadcasts, the European Court of Justice ruled that transmission of such broadcasts, including advertising broadcasts, fell within the scope of the Treaty provisions on services (see Judgments of 30 April 1974, Sacchi (1974) ECR 409, and of 18 March 1980, Debaue, (1980) ECR 833, and CODITEL (1980) ECR 881).

11. According to the Treaties, the right to provide services within the Community (Article 59 et seq., EEC Treaty) may be restricted.
12. Article 66 of the EEC Treaty refers inter alia to Article 56 of the same, paragraph 1 of which states that the Chapter concerning the freedom to provide services 'shall not prejudice the applicability of provisions laid down by law, regulation or administrative action providing for special treatment for foreign nationals on grounds of public policy, public security or public health.'
13. By establishing the freedom to provide media services, pursuant to Article 59 et seq. of the EEC Treaty, the Community can foster the development of diversity of opinion in the Member States, making it possible - ideally - for people throughout the Community to receive all stations broadcasting within its boundaries by the use of new technology.
14. Programmes broadcast over satellites covering the territory of more than one Member State retain their status as services. They therefore come within the scope of Community law, with the usual restrictions on grounds of public policy, public security and public health (Article 56(1) of the EEC Treaty).
15. In the context of the above restrictions, attention needs to be paid to: achieving balanced programmes (when advertising can take place, and for how long, its place in the overall programme schedule - in news and comment broadcasts, special reports, entertainment programmes - and the limits to be placed on advertising on grounds of public policy (protection of young people), public security (violence, weapons) and public health (tobacco, alcohol).
16. In its motion for a resolution, the committee responsible should refer to the need for directives for the coordination of provisions laid down by law, regulation or administrative action, which prove necessary on grounds of public policy, public security or public health, as provided for under Article 56(2) of the EEC Treaty, as well as to the need for directives for the coordination of provisions laid down by law, regulation or administrative action in Member States concerning the taking up and pursuit of (broadcasting) activities as self-employed persons, as provided for under Article 57(2) of the EEC Treaty.

17. Until directives are issued to lay down special provisions of this kind, there is in practice no possibility of establishing freedom to provide services in respect of radio and television broadcasting within the Community, nor of a Community-wide organization of the media. According to the case-law of the Court of Justice: 'In the absence of any harmonization ... (it) falls within the residual power of each Member State to regulate, restrict or even totally prohibit television advertising on its territory on grounds of general interest. The position is not altered by the fact that such restrictions or prohibitions extend to television advertising originating in other Member States in so far as they are actually applied on the same terms to national television organizations.' (Debauve [1980] ECR 857(15)).

IV. CONCLUSIONS

Pursuant to Rule 101(6) of the Rules of Procedure, the Legal Affairs Committee proposes that the committee responsible should include the following in its motion for a resolution:

The Legal Affairs Committee believes that the best method of dealing with the matter of radio and television broadcasting is by means of a convention within the Council of Europe, but should this not be possible, calls on the Commission to:

1. Take into account, when drawing up guidelines for the organization of radio and television broadcasting, the opinion delivered by the Legal Affairs Committee on 26/27 October 1981 on the report on radio and television broadcasting in the European Community (Doc. 1-1031/81) in so far as it relates to the commercialization of new media;
2. Submit as soon as possible the Green Book on the freedom to provide services in the field of broadcasting mentioned in its Interim Report on realities and tendencies in European television (COM(83) 229 final) of 1 July 1983;
3. Submit a proposal for a directive for radio and television broadcasting, taking as the basis in law Articles 59 - 66 of the EEC Treaty (freedom to provide services), and in particular Articles 56(2) and 57(2) (right of establishment) of the EEC Treaty, which apply to the freedom to provide services (see Article 66 of the EEC Treaty);
4. Harmonize by means of the proposal for a directive - without prejudice to the principle of freedom to provide services which must be put into effect in the field of broadcasting - the following aspects :
 - the duration and time of advertising,
 - its position in the programme schedule,
 - restrictions to be imposed to safeguard public policy (protection of young people), security (violence, weapons) and health (tobacco, alcohol);

5. Take full account of Article 10 of the Convention for the Protection of Human Rights and Fundamental Freedoms in its proposal for a directive.

OPINION
(Rule 101 of the Rules of Procedure)
of the Committee on Transport

Draftsman of the opinion: Mr H. SEEFELD

On 26 January 1983, the Committee on Transport appointed Mr Horst SEEFELD draftsman of its opinion.

At its meeting of 26 May 1983 the committee considered an initial draft opinion.

In the light of comments made at this meeting by Mr RIPA di MEANA a new text as appears below was considered and unanimously adopted on 18 October 1983.

The following took part in the vote: Mr Seefeld, chairman and draftsman of the opinion; Mr Kaloyannis, vice-chairman; Mr Baudis, Mr Cardia, Mr Gabert, Mr Gatto (deputizing for Mr Loo), Lord Harmer-Nicholls, Mr Lagakos, Mr Ripa di Meana and Mrs Scamaroni.

1 - INTRODUCTION

1. Since its appearance at the start of the 1970s, Citizens' Band radio has grown dramatically, and present estimates put the number of transceivers in the European Community at over ten million.

2. Citizens' Band developed primarily in the United States of America, where initial legislation on Citizens' Band was passed in 1947. One of the particular features of the United States is that Citizens' Band is also used for professional purposes, in particular by truck drivers as an active means of communication, both to provide information (choice of routes, breakdowns, help in accidents) and to break the monotony of long-distance journeys.

3. When the craze for this mode of communication reached Europe, it caused a number of problems between its opponents on the one hand, who accused it of causing interference to police, ambulance and fire brigade messages and to television and radio broadcasts, and on the other its supporters who saw Citizens' Band as a new means of communication, reflecting its English etymology and fulfilling the useful function of organizing help in case of accident and more simply of giving road-users a better choice of routes. Those who use it believe that it is above all a means of self-expression and communication.

4. Each State has adopted its own regulations to minimize disturbance to existing communications systems and interference with household radio and television apparatus. It should be pointed out that national and international Citizens' Band organizations reject such claims of widespread disturbance and believe that minor and inexpensive adjustments to radio and television apparatus during manufacture would result in the complete elimination of the interference caused by Citizens' Band broadcasts.

The element of concern for industrial and trade policy should not be underestimated in these regulations, since the equipment used is of American or, even more frequently, Japanese origin.

5. Before tackling the problem of the different regulations in force at present, a brief technical survey is necessary for an understanding of Citizens' Band problems.

11 - TECHNICAL DETAILS

6. At present, the term Citizens' Band¹ means the range of frequencies between 26.9 and 27.2 MEGAHERTZ (MHz) on the 11 metre short-wave band.

CB sets are transceivers which use these frequencies.

7. The essential characteristics of a CB set are:

- frequency: Citizens' Band users operate on the 27 MHz band. However, certain governments (although only the United Kingdom has taken action to this effect) would prefer the 900 MHz band to be used, as this would cause less radio interference; however, it has the major inconvenience for the CB user of reducing the effective range of transmission from 15 km to 5 km;

- modulation: amplitude modulation (AM), frequency modulation (FM) or single side band (SSB) modulation can be used. It is believed that 80% of CB sets currently use only amplitude modulation;

- power: the range of transmission depends on the power of the transmitter and an increase in power causes more than a proportional increase in interference affecting other radio services;

- aerial: there are two possibilities: directional aerials or omnidirectional aerials. Only the latter are permitted for CB throughout most of the world as directional aerials would significantly increase the communication range thus increasing, or so it is believed in some quarters, the risk of interference with other communications.

¹ Originally as soon as it made its appearance in the USA, Citizens' Band used frequencies of 220 MHz. Similarly and in particular in the United Kingdom, it is possible to use the 900 MHz waveband.

III - EXISTING REGULATIONS

8. Regulations generally throughout the world

Most countries have adopted specific legislation in regard to Citizens' Band. It should be pointed out that non-European countries use a power output of at least 4 or 5 watts in amplitude modulation and SSB on 40 channels, approximating by and large to the legislation in force in the USA.

9. CEPT regulations

In Europe the European Conference of Postal and Telecommunications Administrations (CEPT), a technical organization which represents 26 European countries¹ issued recommendation T/R 19 in 1972, with its most recent ruling dating from 1979, relating to low-power radiotelephonic transmitters on the 27 MHz band (radio-telephone PR 27).

The recommendation is an attempt to define standard provisions for licensing, common technical specifications and identical type-approval tests.

Although the CEPT recommendation is very interesting it does in fact have no binding force and its application depends on the goodwill of States.

10. National regulations

In the absence of Community provisions on the subject and faced as we have already said with the unexpected CB boom, each Member State in the Community has established regulations which refer more or less explicitly to the European Conference of Postal and Telecommunications Administrations' (CEPT) regulations, but differ from each other on a number of points.

¹ Austria, Belgium, Cyprus, Denmark, Finland, France, Germany, Greece, Iceland, Ireland, Italy, Lichtenstein, Luxembourg, Malta, Monaco, Netherlands, Norway, Portugal, San Marino, Spain, Sweden, Switzerland, Turkey, United Kingdom, Vatican City, Yugoslavia

11. Briefly, the situation is this: 6 Member States (Belgium, Luxembourg, Denmark, Germany, Italy and Greece) allow CB sets to operate between 26.9 and 27.2 MHz using amplitude or frequency modulation. The Netherlands allow CB sets to operate on 22 channels from 26.96 to 27.22 MHz, but only using frequency modulation. Very recently, since 1 January 1983, the French Government has liberalized the laws relating to CB operators by permitting the use by the latter of the 40 channels reserved for broadcasts using amplitude modulation, frequency modulation and single side bands. The United Kingdom allows CB sets to use frequencies from 27.60 to 27.99 MHz (40 channels) or 934 and 20 channels from 934.025 to 934.975 MHz, but only using frequency modulation. In Ireland, a 40 channel system is open for use, but only with frequency modulation. We can see that only the United Kingdom really departs from the European Conference of Postal and Telecommunications Administrations' (CEPT) recommendation by allowing the use of the 934 MHz band for frequency modulation signals.

IV - THE NEW CEPT RECOMMENDATION

12. When this opinion was first considered, on 26 May 1983 in London, CEPT recommendation T/R 20 was in course of preparation. The impression received from several experts and from our colleague, Mr RIPA di MEANA, was that this text, then in draft, was likely to be very restrictive compared with the regulations in force at present.

Adopted in September 1983 the recommendation would indeed appear to prohibit the use of the 27 MHz band for amplitude modulation and to only permit the 27 MHz using frequency modulation signals with an output of 4 watts and it is totally rejected by the Citizen's Band operators associations.

On the one hand, it does seem that these new provisions impose considerable limits on the range of sets, in particular in areas where it would be no more than 600 or 700 metres. On the other hand, sets currently used in Europe cannot be easily modified to comply with this new regulation, and so CB operators would have to purchase new sets which cost two or three times more than those currently available.

In addition, it should be noted that in order to buy these new sets, massive imports from countries outside the Community would be necessary.

judged at from a pessimistic point of view all this suggests that an illegal Citizens' Band based on the earlier standards could develop.

4 - THE PROBLEMS CAUSED BY THE PRESENT SITUATION IN EUROPE

13. First of all, it should be noted that in several European countries, legislation has not yet been adopted for the best use of Citizens' Band and thus needs to be suitably modified. Given the differences in national legislation, even if based more or less on the European Conference of Postal and Telecommunications Administrations' (CEPT) recommendation, CB sets, whether fixed or mobile, cannot in present circumstances be moved freely within the Community, and use of these sets is more often than not limited to a single country. There is thus a situation where national provisions constitute obstacles at three levels; the first directly affects CB users, who cannot move about freely with their equipment, the second takes the form of a restriction of trade within the Community and the third does not permit communication between citizens of different countries of the European Community. Indeed, Annex I of the CEPT recommendation T/R 19 specifically states in paragraph 7 that the use of radiotelephones PR 27 (CB) is generally forbidden for the purposes of communication beyond national frontiers.

14. This situation has created a number of conflicts with customs authorities which have led in some cases to the confiscation of equipment and to fines of varying magnitude.

In the European Parliament the number of questions submitted¹ indicates, the size of the problem.

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- ¹ - No. 402/79 by Mr FUCHS - Citizens' Band frequencies
 - No. 634/80 by Mr ALBER - use of Citizens' Band by truck drivers and tourists
 - No. 1299/80 by Mr ANSQUER - Citizens' Band regulation
 - No. 1606/80 by Mr PEDINI, amateur radio operators
 - No. 2123/80 by Mrs EWING - Citizens' Band radio
 - No. 433/81 by Mr BOYES - Citizens' Band radio
 - No. 250/82 by Mr HUTTON - Citizens' Band radio
 - No. 310/82 by Mr WARNER - Citizens' Band radio
 - No. 465/82 by Mr PEARCE - Citizens' Band radio
 - No. 526/82 by Mr WARNER - Citizens' Band radio
 - No. 1963/82 by Mr WARNER - Community standard for CB users
 - No. 1964/82 by Mr WARNER - CB radio
 - No. 8/43/83 by Mr HARRIS - Citizens' Band

15. in view of the problems their members have in crossing borders, the European association of CB radio users are making three general demands:

- that uniform conditions should be established for the use and transport of CB radio sets within European countries without border restrictions;
- that frequencies and wavelenghts for CB radio sets should be harmonized throughout Europe;
- that radio interference should be solved by standardizing CB equipment.

Mention should also be made of the resolution adopted by the European Association of Citizens' Band Radio Users on 23 and 24 April 1983, rejecting the CEPT draft recommendation and requesting the support of the European Parliament in creating common European legislation on Citizens' Band.

VI - THE POSSIBILITY OF COMMUNITY RULES

16. The existence of a recommendation by the European Conference on Postal and Telecommunications Administrations (CEPT), and the authority of this body which has a broader membership than the European Community would be arguments against the Commission taking any action in this matter, since some people do not think that this subject falls directly within its powers, even though the CEPT is only a technical organization.

It may rightly be asked whether the problems raised by harmonizing legislation on Citizens' Band are solely of a technical nature or whether it might not be better to approach the problem from the political point of view, in the name of freedom of expression, which Citizens' Band is supposed to represent.

17. Nevertheless, the Commission has two ways of justifying intervention; it can either consider that this question falls within the provisions of Articles 30 and 36 of the EEC Treaty, on the elimination of quantitative restrictions between Member States, or it can undertake a harmonization of the provisions in force in different Member States on the basis of Article 100 of the EEC Treaty (approximation of legislation in different Member States).

18. With this in mind, the Commission has already carried out a certain number of investigations and is having a study made by a team of consultants in order to ascertain the existing provisions and practices in the Member States relating to CB radio sets and to examine them in the light of the EEC Treaty rules.

According to the answer to Mr WARNER's question (No. 310/82), given by Mr NARJES on behalf of the Commission on 21 June 1982, the latter is following developments in the present situation, and stresses the possibility of submitting to the Council a proposal for harmonizing provisions applicable to CB radio sets, but without giving a specific date or context.

At present, the Commission is apparently examining the possibility of formulating a proposal to harmonize national regulations relating to CB, based principally on the new CEPT recommendation.

Owing to the strong reservations which we have expressed in respect of this new regulation adopted by the CEPT, we can only recommend that the Commission proceed most cautiously, inasmuch as the new provisions appear to be in utter contradiction to the interests of Citizens' Band users.

VII - THE URGENT NEED FOR UNIFORM REGULATIONS ON CITIZENS' BAND IN THE EUROPEAN COMMUNITY

19. Because of the number of people in the European Community who use CB radio sets and because of the differences in the restrictions imposed on the movement of such sets brought about by the present situation, the Committee on Transport deems it necessary to achieve as soon as possible common legislation applicable to all Member States of the European Community, possibly by harmonizing national laws. To ensure obvious consistency with other European countries which are not members of the Community, this harmonization should be implemented within the framework of the European Conference of Postal and Telecommunications Administrations (CEPT).

Furthermore, this action must be undertaken quickly to avoid a situation in which national regulations are totally fixed, thus making harmonization absolutely impossible.

VIII - CONCLUSIONS

In the light of these observations and remarks, the Committee on Transport would like the Committee on Youth, Culture, Education, Information and Sport to include the following in its motion for a resolution.

20. Agrees to recognize the importance and the increase in the use of Citizens' Band as a means of expression and communication by millions of people in the European Community.
21. Notes that the existence of differing national legislation concerning CB constitutes a real obstacle to the movement of individuals and goods within the European Community.
22. Considers that uniform legislation is the only way of ending the present situation, improving the conditions for using Citizens' Band and reducing the interference which some CB radio sets can cause.
23. Believes that such Community regulations should be drawn up in the framework of the European Conference of Postal and Telecommunications Administrations (CEPT) but specifically draws the attention of Member States and the Commission to the seemingly very restrictive nature of the new CEPT recommendation T/R 20.
24. Asks the Commission to formulate, as soon as possible, a proposal for harmonizing Member States' national legislation taking into account the real concerns of Citizens' Band users and attempting at the same time to reduce the nuisance and interference possibly caused by such sets to a minimum.