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THE COMMUNITY: Reforming the EC: The Commission outlines its programme

The European Commission and the "great debate".

The key word in the European Commission's 1987 programme for the 12-nation European Community is "reform". The Commission believes it is indispensable to continue the reform of the common agricultural policy and to extend the process to the Community's regional, agricultural and social funds as well as to its finances and its budgetary procedures. The adoption by the Twelve of the Single European Act, which updates the Community's "constitution" and now only awaits implementation, makes the need for reform all the more urgent.

The Commission's 1987 programme sets out the necessary measures to this end, and they amount to "a vital part of the Community's activities for this year", according to Commission President Jacques Delors. In a highly emotional speech to the European Parliament on February 18, Mr Delors stressed the fact that at stake was nothing less than the credibility of the Community's attempts to build a united Europe.

The reform of the common agricultural policy having begun in 1984, what the Commission is now proposing is its continuation, but along lines which would avoid a fall in the incomes of the poorest farmers as far as possible. If the special measures in favour of the most disadvantaged farmers and regions prove inadequate, the Commission will propose giving them direct financial aid.

The Commission has also called for the reform of the Community's structural funds, which seek to reduce regional, social and agricultural disparities within the Community*. It favours decentralized, "in the field" operations and wants the size of the three funds doubled by 1992. Other priorities include youth employment and the fight against long-term unemployment.

The Commission is also seeking a reform of the Community's financial system, given the relative decline in its resources just as needs are rising. Under the formula which it envisages, the flow of funds into the Community's treasury would increase and yet take into account the relative wealth of the different member states. The U.K., moreover, would enjoy special treatment, based on the specific situation of its agriculture.

Finally, the Commission's proposals include budgetary reform, aimed at guaranteeing budgetary discipline - i.e. a more effective use of Community funds.

* The Guidance section of the European Agricultural Guidance and Guarantee Fund, the Social Fund and the Regional Development Fund.

THE COMMUNITY: Strengthening the base for a relaunch

The Commission's 1987 work programme for the EC ranges from VAT to YES.

The proposals for reforming the European Community presented by Jacques Delors to the European Parliament (see page 2) will fuel a debate that will last a long time. But they were only a part of the Commission's action programme for 1987. Other important elements of it deal with moves towards the single unified market; the promotion of new technologies; the development of the European Monetary System; the continuing dialogue between trade unions and employers; television without frontiers; a People's Europe ... the list seems endless.

The Commission wants the Twelve to adopt a series of measures aimed at continuing the activities which it began in 1985 to give fresh impetus to the unification of Europe - what its President, Jacques Delors, has described as the "base for a relaunch".

To ensure progress towards the creation of a single, unified market, "the veritable motor of European economic integration", in Mr Delors' words, the Commission will propose measures which seek, among other things, the harmonization of VAT rates and excise duties on petrol, alcohol and tobacco. The Commission will also ask the Twelve to open up to European competition public procurement in sectors such as energy, transport and telecommunications.

In the field of the new technologies, the Commission will press for the early adoption of the 1987-91 Framework Programme, which conditions the pursuit of the various Community research programmes, including ESPRIT.

To stimulate economic growth and job creation the Commission will encourage a Community-wide dialogue between trade unions and employers, and raise the issue in the EC Council of Ministers. In the same spirit, it will work for the strengthening of the European Monetary System.

To make the Community more of a reality to the man in the street, the Commission will propose the continued distribution of surplus agricultural products; encourage young people to travel, study and work in other EC countries than their own, thanks to programmes such as COMETT, ERASMUS and YES, and help in the fight against cancer and AIDS.

In his address to the European Parliament the Commission President also stressed cultural issues, including one of the most immediate of them, "television without frontiers". But the 1987 programme also contains proposals dealing with environmental and consumer protection, energy, external relations, fisheries and transport.

THE MEDIA: From hostility to partnership, the path for cinema and television

The European Cinema and Television Year (1988) is presented in Rome.

"The culture, language, habits and customs of a country are spread and become known mainly through the media, especially the audiovisual media. This is why we can affirm that cinema and television can play a leading role in drawing the peoples of the European Community closer together and, therefore, in the construction of Europe".

The European Commissioner for culture, information and communication, Carlo Ripa di Meana, went on to underline the fact that the earlier antagonism between cinema and television is being replaced by a symbiosis between them, as happened long ago in the United States. Mr Ripa di Meana, who was presenting the European Cinema and Television Year in Rome, insisted that it was taking place not a moment too soon.

He pointed out that, in the audiovisual field in general and television programming in particular, Europe was far behind the United States and ran the risk of being reduced to the status of a veritable colony. Imports now account for between 30 to 50% of the programme time devoted to serials and films made for television, a situation due to the fact that American producers can count on a large, single market, and can therefore offer their products at prices which are one-fifth of those demanded by Europeans.

The President of the Steering Committee, Mrs Simone Veil, went a step further and invited cinema and television producers in the EC countries to give proof of their willingness to cooperate and their capacity to bring about the single market, which alone can enable them to meet world competition.

A key objective of this European Cinema and Television Year is to awaken not only political circles but also cinema/television professionals and opinion leaders to the importance of a strong and competitive industry.

Other important objectives are to ensure that the European identity is reflected in the audiovisual media; favour creativity through an effort to achieve a better balance between the different cultural centres of Europe; promote progress in this field within the Community and create the conditions favourable to the development of the audiovisual industry in Europe.

Finally, it is hoped the European Cinema and Television Year will result in better cooperation as regards the financing, production and distribution of programmes as well as in stronger links between cinema and television.

INSURANCE: The ECU is the best line of defense

A growing number of life insurance policies are expressed in ECU.

Without any fanfare the ECU - the European Currency Unit - is steadily gaining ground. Thus in several European Community countries it is being used increasingly by insurance companies, especially for life insurance policies and savings. This practice is beginning to take hold in France, Italy, the Netherlands and Luxembourg, and seems to be finding favour with everyone.

The ECU guarantees policy holders much greater monetary stability, even while offering them the possibility of converting the ECU into their national currencies at any time. Those with savings to invest are not speculators and unwilling, therefore, to run the risk of currency fluctuations or changes in interest rates.

But insurance companies find that they, too, benefit from using the ECU, certainly in the long run. Because it can be converted under favourable conditions, the yield on ECU is higher.

The European Commission obviously is very pleased and favours the use of the ECU whenever possible. Will money, once the sinews of war, be the sinews of Europe also?

TELECOMMUNICATIONS: Please stay on the line, we'll reply in 10 years' time

A single number which tourists can dial anywhere in the Community for emergency calls is not for tomorrow.

Calling for help from abroad is not always easy, especially if you're alone. The telephone box often has no directory, and even when it does, it is not easy to consult if you don't know the language. Precious time can be lost, just when time is of the essence.

What could be more logical, therefore, than a single number for all emergency and alert calls throughout the 12-nation European Community? The need for it is all the greater today when millions of tourists are constantly on the move, going from one corner of the Community to another.

No sooner said than done, however. The European Commission contacted the gentlemen in charge of posts and telegraphs in the member states, and all agreed with the objective pursued by a Dutch Euro-MP, Florus Wijsenbeek. They even agreed - as far back as January 1984, within the framework of the European Conference of Postal and Telecommunications Administrations (CEPT) - to bring into service a uniform system for emergency and alert calls. Once some technical problems had been solved the system would become operational - in 10 years' time.

In an era of advanced technology this perhaps was to be expected. What, after all, are 10 years in the face of eternity?

TRADE: European Commission tries to halt dumping of bits and pieces

It asks the Twelve to approve measures to block a loophole in anti-dumping rules.

The crafty exporters who have been getting around the European Community's anti-dumping regulation by shipping their products in bits and pieces, to be assembled over here, may have to think again. The European Commission has just sent the Twelve proposals which would make this particular subterfuge unprofitable.

Dumping takes place when an exporter offers goods at a price well below his domestic price in order to win markets abroad. Once he has successfully established himself on these markets, he proceeds to raise his prices to more normal levels.

To defend itself against such practices the Community operates its own anti-dumping rules. Those currently in force date from 1984. Allegations of dumping are investigated by the Commission to determine whether or not they are founded. Depending on the outcome, it may fix anti-dumping duties, which generally represent the difference between the sales price in the Community of the imported product and its price in its country of origin.

But this is not always easy. In the case of goods exported by East European countries, for example, the domestic price cannot be used as it is set by the government and may not reflect production costs at all. In such cases fairly elaborate calculations are required. However, once dumping has been established, the Community can levy an anti-dumping duty, which has the effect of raising prices to more "normal" levels.

At present, anti-dumping duties can only be levied on a finished product - typewriters and photocopiers, for example - but not on the components from which they are made. Some foreign manufacturers, notably Japanese, have tried to take advantage of this by having products threatened with, or already subject to anti-dumping duties, assembled within the Community from imported components.

If the Twelve adopt the Commission's proposals, the anti-dumping duties could apply to such products under certain conditions.

RESEARCH: The EC challenges Japan in the race to build computers which think for themselves

Six European scientists have been drafted to prepare BRAIN.

The first machines which imitate the human brain could well be European. The fact is that Europe is ahead of Japan in some related areas of brain research. To help the Commission launch an ambitious project, its Vice-President, Karl-Heinz Narjes, recently asked European scientists to prepare a new Community programme of Basic Research in Adaptive Intelligence and Neurocomputing - in short, BRAIN.

The Commission's move anticipates the recent Japanese "human frontier" programme. The new European programme is aiming at nothing less than the development of computers endowed with "adaptive intelligence", which is a step beyond "artificial intelligence".

Computers have an advantage over the human brain in that they can calculate very much faster, although for the time being they can only do so in sequential fashion. Adaptive intelligence will allow them to learn, see, recognize, make connections and pass judgements.

Clearly a computer possessing such faculties would resemble the human brain very closely and could be the gray matter of a new generation of industrial robots. Instead of blindly carrying out programmed tasks, such robots would literally see what they are doing.

The Japanese government has decided to spend the equivalent of ECU 1.150m.* over 10 years on exploring the human brain in the context of its "human frontier" programme. The preliminary phase of this study, conceived in cooperation with Japanese industry, has a budget of ECU 1.1m. for this year.

The European Commission envisages a budget of some ECU 20m. for launching the Community programme in 1987/88 in the framework of the European Research Stimulating Programme adopted in 1984. Europe already has a headstart in the field of adaptive intelligence, and BRAIN should allow it to maintain its lead.

Six European scientists, including Dr. E. Rolls of Oxford University and Prof. D.S. Wallance of Edinburgh University, have been given the task, by Mr Narjes, of drawing up an overall research programme by May 5. America's "world guru" in artificial intelligence, Prof. John Hopfield, has declared that Europe should give priority to the BRAIN project.

* 1 ECU = UK£ 0.75 or IRL 0.78.

HEALTH: Is there a nicotine addict on the plane?

Air travellers in Europe are increasingly against in-flight tobacco smoke.

The Dutch airline KLM is thinking of raising the proportion of "no smoking" seats on its aircraft from 70 to 80% of the total, while Air Canada has decided to increase the number of internal flights on which smoking is banned. This follows the success of its initial experiment, involving some 40 daily flights between Montreal, Toronto and Ottawa.

People are no longer prepared, it would seem, to put up with this particular form of poisoning, although the widespread use of tobacco is relatively recent in Europe, dating back to no more than a century. But neither European airlines, with the laudable exception of KLM, nor European Community airports, are especially welcoming when it comes to non-smokers, even though they are in a majority. Few seats are reserved for non-smokers in passenger lounges and bars and restaurants. Often there are none at all, so that non-smokers can find themselves enveloped in a haze of tobacco smoke.

The European Commission would like to step in - and plans to do so as part of its "Europe against cancer" campaign. As for the airlines, they are reluctant to publish statistics on the percentage of seats reserved for non-smokers. This, and other relevant information, may well have to be smoked out of them.

COPYRIGHT: What prices a tax on blank audio and video tapes?

Will the proceeds of the levy really go to authors and producers of the original works?

With the widespread use of both audio and video tape recorders, authors and composers run the risk of being deprived of a part of their royalties.

Hence the decision of a number of governments to tax blank audio and video tapes, while others are preparing to follow their example. The proceeds of this levy would be shared out among the current copyright holders.

But would the authors, composers and producers of the original works really share in the proceeds? For the moment, the situation is rather confused. Germany currently levies a tax of DM 0.12 per hour of playing time for audio tapes and DM 0.17 for video tapes. These taxes are some four times higher in France which, unlike Germany, does not tax recording equipment.

As for the share out of the proceeds, in Germany it takes place through a collecting society representing the various copyright holders, on the basis of criteria which they have set.

But there is a danger that governments, having set the scene for a tax on blank tapes, may be tempted to upstage the authors and composers and pocket the proceeds themselves.

CRIMINAL LAW: The crook's tour of Europe

Can criminal law be harmonized throughout the European Community?

How much can you "earn" from a bank hold-up or a burglary in the different European Community countries? And how much can you get if caught in, say, the U.K. on the one hand and France on the other?

Bank robbers and other similarly unsavoury characters apparently do ask themselves these questions before undertaking a job. A suspect in a bank robbery, who has since been convicted of the crime, declared that he had chosen to operate in the Netherlands because of its lighter penalties.

Such detailed research into criminal law deserves a passing salute. But it could have alarming consequences for some Community countries. They could find themselves the unwitting targets of the criminal fraternity, who would be aided in their peregrinations by the Community's laws on the free movement of workers.

Such countries presumably could regard themselves as the victims of unfair competition or dumping. They perhaps could even appeal to the courts.

Unhappily there are no remedies in sight. The Community can ask for national criminal legislations to be harmonized in certain cases, but bank robberies are excluded.

Two proposals for such harmonization nevertheless have been pending before the EC Council of Ministers - for the last 10 years. The first calls for the adoption of common rules on the protection of the financial interests of the European Communities, while the second deals with the problem of the liability and protection of their officials and other agents.