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EUROFOCUS wishes its readers a merry Christmas and a happy new year.

The next issue will be dated 4 - 11 January 1988.

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AIR TRAVEL: Lower fares from January

The EC Council of Ministers has agreed to deregulate air travel in Europe.

The rock of Gibraltar having been circumnavigated, and the remaining obstacle to the liberalisation of air travel having thus been lifted, the European Community's citizens can now look forward to lower fares and a wider choice of destinations within the Community from next year.

Without the dispute between Britain and Spain over the use of Gibraltar airport, deregulation could have come about on October 1. But in the end the delay has not been as serious as was feared by some and liberalisation is now an acceptable fact. It will mean cheaper fares to begin with. Each airline will be free to set prices at the levels it likes, without having to secure the agreement of the airline of the country of destination.

Some of the existing discount fares, which have been limited so far to routes on which there is strong competition from charter flights, could be extended to other destinations. Other discount fares could be introduced as each airline saw fit.

Capacity-sharing arrangements between two airlines flying the same route will become more flexible. In place of the rigid 50-50 rule, capacity could be shared on a 45-55 basis for the first two years and a 40-60 basis from 1 October 1989. This means that if one of the two airlines wishes to use larger aircraft, it will be able to do so, provided, of course, that it keeps within the limits mentioned above. It would not need its partner's agreement.

Finally, the Council's decision will make it easier for new airlines to enter the market and for passengers to fly between regional and national airports. One could fly between London and Rome via Lyon, for example. Airlines will be offered this possibility only gradually, however, in order to lessen its impact. Thus, airports in northern Italy - Turin, Bologna and Venice - as well as airports in Spain, Greece and Denmark, will not be opened up to new airlines for a 3-year period.

The fact is that the shackles which have bound civil aviation in Europe for decades are being lifted. It is obvious that such an operation cannot be painless - hence the efforts of some airlines to limit the damage. But before the end of 1990 the grace period will have run out and the face of air transport in Europe will have been changed.

It is not easy, and in any case it is premature, to say as from now by how much fares will come down in the coming months. It is safe to assume that the cost to passengers paying the full fare - those travelling first or business class - will remain at roughly its present level. Other passengers could enjoy fare reductions of up to 65%. Some countries in fact have anticipated these reductions. Thus passengers under 25 years of age (and in certain cases some under 30) will be able to fly from Brussels to London and back for ECU 90*, although the base fare is around ECU 325.

Clearly, the skies are opening up for Europeans also.

^{* 1} ECU = UK£ 0.69 or IR£ 0.78.

ENVIRONMENT: The "clean" car has joined the race

The EC Council has approved a directive which aims at cutting pollutant exhaust gases from motor vehicles by half.

There will be a little less carbon monoxide in the air we breathe, thanks to the approval by the European Community Council of Ministers of a directive cutting by half the pollution due to exhaust gases from motor vehicles running on petrol. Between now and 1993 all new cars will have to meet the new standards.

This means that some models - i.e. cars with large engines - will have to use unleaded petrol and, consequently, be fitted with catalytic converters, which would add between ECU 650 and ECU 800* to the price of the car, according to experts. Small cars, and perhaps even medium-sized ones, could get away with extra costs of around ECU 150 only: their engines could be modified to allow them to run on a mixture containing less petrol and more air - and therefore less polluting.

The dates set by the directive are October 1988 for new models which have an engine capacity of above 2000 cm3 and October 1991 for those which have an engine capacity of 1400 cm3 to 2000 cm3 inclusive. The Commission will fix the standards to be applied from 1992 for cars with an engine capacity below 1400 cm3.

However, in the case of new cars in existing models, the dates are October 1989 where the engine capacity is above 2000 cm3 and October 1993 where it is between 1400 cm3 and 2000 cm3 inclusive.

The problem of vehicles fitted with Diesel engines still awaits a solution, although they cause greater air pollution, despite some technical progress and in spite of the supplementary provisions approved by the Council. But the problem will have to be faced, given the growing popularity of such vehicles, which are very competitive compared to those which run on petrol.

Clearly, a start has been made - but the finishing line is still some distance away.

^{* 1} ECU = UK£ 0.69 or IR£ 0.78

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EDUCATION: A year's vocational training for European youth

The Twelve approve a 5-year programme of Community aid.

From next year compulsory schooling throughout the 12-nation European Community should include a year's vocational training. The Community's social affairs ministers decided recently to launch a 5-year European action programme aimed at helping the member governments organize such training. Some ECU 8m.* are to be made available for this purpose from the Community's 1988 budget, plus an extra ECU 650,000 a year thereafter until 1992.

The programme's main objectives are to (1) prevent young people from entering the labour market without any qualifications and (2) see that vocational training is better adapted to the rapidly changing requirements of companies. The programme should also help give vocational training a European dimension, in view of the completion of the single internal market, foreseen for 31 December 1992.

The ministers laid down a number of priorities in the execution of the programme. These include greater equality of opportunity between boys and girls and greater concern for the needs of disadvantaged young people, who risk leaving school without any qualifications likely to interest prospective employers.

Other priorities are coordination between the various types of education and vocational training and between the different bodies entrusted with them, as well as improvements to the various youth guidance schemes.

The Twelve also gave priority to the promotion of the spirit of initiative and enterprise among the young, in order to encourage them to set up their own small businesses, for example.

The European Commission will organize a European network of training initiatives. This will provide a liaison between the various national and regional projects, thus giving a truly European dimension to the whole undertaking. It will also subsidize innovative projects which seek to develop the creative spirit among interested young people; give its backing to exchanges between specialists in vocational training; encourage comparisons between the different national vocational training schemes and keep track of the changes in the certificates and diplomas awarded by them.

^{* 1} ECU = UK£ 0.69 or IR£ 0.78

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HEALTH: Another four cancer-producing substances are banned

The Twelve inaugurate the provisions of the Single European Act relating to social policy.

Four new substances have been added to the list of chemical agents that are banned under Community regulations because they are carcinogenic. The European Community's ministers of social affairs approved a Community directive in early December, which seeks to protect workers and to ban the production and use of benzidine and three other substances.

The new regulation provides for a number of exceptions. The ban does not apply to the chemical substances in question if they are found in the form of impurities, by-products or are mixed with wastes and represent less than 0.1% by weight of a substance or preparation. The EC countries, moreover, can grant an exemption when the banned substances are to be used for scientific purposes.

The regulation is the first Community "law" to be approved in accordance with the social policy provisions of the Single European Act, the text that revises the EEC Treaty, the Community's "constitution". The Act, in force since 1 July 1987, includes workers' safety and industrial hygiene among the official objectives of the 12-nation Community. What is more, the EC Council of Ministers can approve the necessary regulations by a majority vote; unanimity is no longer required.

REGIONAL AID: ECU 244m.* for investment projects

The sixth allocation of grants from the ERDF.

Several hundred investment projects in six European Community member states** can now be implemented, thanks to the ECU 244.2m. approved recently by the European Commission. The money represents the sixth allocation of grants for 1987 from the European Regional Development Fund for individual investment projects.

Virtually all the money - ECU 236m. - will finance infrastructure investments. The remaining ECU 8.2m. will go to investment projects in industry, craft industries and the service sector. Taken together, the grants will help create 2,214 new jobs and save 886 existing jobs.

The funds allocated to Britain and Italy will be spent mainly on promoting tourism, while those earmarked for Spain and Portugal will help finance road and water supply projects.

- * 1 ECU = UK£ 0.69 or IR£ 0.78.
- ** Britain, France, Ireland, Italy, Portugal and Spain.

CHILDREN: Playgrounds on trial

750,000 children are injured in the EC each year.

Children's playgrounds should be places of relaxation and amusement. Unfortunately, they can also be very dangerous, if one is to believe the findings of a recent European symposium. Roughly 750,000 children are injured each year on the playgrounds of the 12-nation European Community, sufficiently seriously to require treatment in hospital or dispensary, according to experts.

The European Commission and European Association for the Safety of Consumer Products brought together some 150 specialists from the EC and a number of foreign countries, notably the United States, to discuss playground safety in Brussels at the end of November. At the conclusion of the Symposium, the experts asked the European Commission to draw up, as a matter of urgency, measures likely to improve the safety of playgrounds.

They want, to begin with, an overall European regulation which would apply to playgrounds and playground equipment, as well as a set of European standards covering the construction of such equipment, its maintenance and location and the use of conventional symbols.

The experts also want courses to be organized in order to alert manufacturers and those running playgrounds to the problem of safety.

CHILDREN: Bookshops are carrying a Community picture book The European Commission gives its publishers a helping hand.

What better Christmas present for children than a picture book devoted to the 12-nation European Community? The European Commission has given its patronage to just such a volume, published by the firm of Panini.

The book contains pictures, maps, charts and empty spaces for some 400 photographs - which are being sold separately. It is already on sale in Belgium and will be available shortly in Italy and the Netherlands, and later on in other Community countries.

The editor is organizing a children's competition to mark the publication of this picture album. The authors of the three best slogans on the European Community - they cannot exceed 20 words - will each win a trip.

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TELEVISION: TV sans frontières is already here

Satellites move faster than the twelve European governments.

"The successful launch, by the European rocket Ariane, of the first European satellite for direct broadcasting ... opens a new era for television in Europe. It marks the disappearance of national frontiers and calls for the creation of a European audiovisual area." Thus the European Commission President, Jacques Delors, after the German satellite, TV-SAT 1, had been successfully put into orbit on November 23. His remarks point to the sea change which the switch from ground-based transmitters to direct broadcasting by satellite represents for Europe.

The new German satellite will be followed next year by a French satellite using the same technology, TDF 1. Other European satellites will follow, thus making it possible for Europeans with the right kind of antenna to receive programmes originating in other European Community countries directly, without the intervention of their own national, regional or local authorities.

The German satellite, TV-SAT 1, uses the MAC-packet "family" of standards, developed in Europe and adopted by the 12-nation European Community at the end of 1986. These standards replace the rival French (Secam) and German (Pal) systems.

European political leaders and the industry already foresee the use of one of the MAC-packet "family" of standards for high-definition television broadcasts in the 1990s.

As luck would have it, even as TV-SAT 1 was being put into orbit, the International Consultative Committee on Radio Communication (ICCRC) officially recognized the MAC-packet standards as the norm for high-definition television throughout the world. European standards were in competition with those developed by Japan, with American support.

The technology may be evolving rapidly, but the 12 Community countries are still clinging to their differing, even opposing, national regulations regarding television advertising, royalty payments to authors, etc.... Now that technology makes it possible to by-pass national laws, President Delors believes the Twelve must approve, as a matter of urgency, the proposal for a Community regulation submitted to them by the European Commission last year under the label "television without frontiers".

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EC INSTITUTIONS: A President for Europe

The European Parliament wants voters to give it a mandate in 1989 to elect the Community's President.

The European Community must have its own president. And the rapporteur of the European Parliament's Committee on Institutional Affairs, the French Euro-MP Georges Sutra de Germa, has proposed that the Parliament to be elected in 1989 be mandated by the voters to elect the EC President and prepare the transition to a European Union.

The idea has been put forward by, or received the support of, a large number of political leaders, including the former French President, Valéry Giscard d'Estaing; his successor at the Elysée Palace, François Mitterrand; the Belgian Prime Minister, Wilfried Martens; the former German Chancellor, Helmut Schmidt and the President of the European Commission, Jacques Delors. Mr Giscard d'Estaing even proposed that the President of the European Council be directly elected, "in order to give Europe's executive arm the power of continuity."

Mr Sutra de Germa has pointed out in his report that the idea is both excellent and timely, given that the present vacuum is strongly felt both within the Community and without it. The Socialist Euro-MP nevertheless believes that the time is not yet ripe for the President to be directly elected. He therefore favours indirect elections - by a college made up of the 518 members of the European Parliament and another 518 MPs chosen by the twelve national Parliaments, in accordance with the distribution of votes in the EC Council of Ministers.

This European Congress, with the President of the European Parliament in the chair, could elect the President of the European Community and its Vice-President, who would fill the office of Commission President. Clearly, such reforms would take time and require preparation. They could be introduced, therefore, in three stages.

The first, which would involve no changes to the EC Treaty, would be characterized by the designation of an outside personality, co-opted by the European Council to preside over its work. Then, in 1989, the European Congress would proceed, as described above, to elect the Community President. During the third stage, in the medium or long-term, the President would be elected by popular vote.

This would not be the United States of Europe - but something like it. One can hope, with Mr Sutra de Germa, that the President elected by the Congress would be "the face and voice of Europe."

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GATT: War on pirates

The EC wants more and better protection for intellectual property rights.

Authors are not the only ones to enjoy IPRs, or intellectual property rights, as many seem to imagine. IPRs are also associated with patents, trade marks, designs and models, geographical descriptions, designations of origin, etc.

Hence the economic importance of such rights, including copyright, of course, and the need to protect them, given the ever-present temptation to appropriate someone else's property, especially if it can be done easily and with little risk. Stealing the brand name of a cheese can be easier than stealing the cheese itself - and much more profitable. This applies also to making counterfeit watches or handbags or ... the list is endless. The prejudice suffered by the lawful owners of the trade mark or model can be substantial.

The European Community has therefore submitted a series of proposals aimed at the more effective protection of intellectual property rights in the framework of the new GATT* round on trade negotiations. It wants the negotiators to apply to the IPRs the general principles and mechanisms of the General Agreement that ensure the liberalization of trade in goods: non-discrimination, national treatment, dismantling of trade barriers, transparency, consultation and dispute settlement.

Effective protection of IPRs requires action against the production of and trade in goods which violate such rights. Inadequate, or, on occasion, excessive substantive standards relating to IPRs can also pose problems. Solutions put forward so far range from the implementation of the essential provisions of the existing international conventions to the establishment within GATT of minimum rules for the definition of IPRs.

Protection of IPRs must be ensured at the border in the first place; customs and other authorities must have the right to block the import of counterfeit or pirated goods. But protection must be exercised internally as well. The GATT contracting parties must therefore provide internal procedures allowing the holders of any IPR to secure the enforcement of their rights, irrespective of whether they have been violated through imports or locally made goods.

Given the complexity of the problem, finding effective solutions will not be easy. But the stakes are so high the Community has no choice but to make every effort to find them.

* General Agreement on Tariffs and Trade.