

S U M M A R Y

- P. 2 CULTURE: The European Cinema and Television Year 1988 - ECTVY '88
The programme drawn up jointly by the European Commission and the Council of Europe is presented in Brussels.
- P. 5 FINANCE: Towards a Community-wide banking system
Lord Cockfield unveils the second banking directive proposed by the European Commission.
- P. 6 A PEOPLE'S EUROPE: Old age pensioners continue to be shut out
Many retired Europeans remain "strangers" within the Community.
- P. 7 A PEOPLE'S EUROPE: An end to discrimination in council housing
It is no longer necessary to be a national of the host country in order to have access to council housing.
- P. 8 NUCLEAR MATERIALS: Bombs from nuclear waste?
The European Commission tries to throw light on a murky story.
- P. 9 INDUSTRY: A surplus of trucks
Yet another manufacturing sector in the throes of reorganization.
- CONSUMER PROTECTION: Inflammable plastic foam in the dock
Community law does not stand in the way of a ban under national legislation.

CULTURE: The European Cinema and Television Year 1988 - ECTVY '88

The programme drawn up jointly by the European Commission and the Council of Europe is presented in Brussels.

"As the European Cinema and Television Year opens, I note that the call which was made has already received an initial encouraging response. Those working in cinema and television have understood that there is an urgent need to view the European audiovisual industry as an integrated system. This is the only way to meet the challenges at the global level".

It is with these words that Carlo Ripa di Meana, the European Commissioner with responsibility for culture and information, opened the press conference devoted to ECTVY '88, organized by the European Community institutions and the Council of Europe.

The Commissioner stressed the fact that a great deal was at stake, economically, socially and culturally speaking. He took the opportunity to refer to the undertaking given by the Community's cultural ministers at Copenhagen on December 10, to give priority to the initiatives and activities of the audiovisual sector.

Mme Simone Veil, President of the ECTVY '88 Steering Committee, and Mr Adinolfi, Vice-President and Deputy Secretary-General of the Council of Europe, also discussed the campaign's objectives and hoped that the fears which had been expressed as to the future of the audiovisual industry in the EC would be dissipated.

The main priorities for the ECTVY '88 include the development of cinema and television as important vehicles for the diffusion of European culture and the encouragement of transborder cooperation throughout the audiovisual sector, as much for the purpose of raising finance as for production and distribution. The activities to be undertaken during ECTVY '88 must be viewed, in fact, in the context of the completion of the single integrated market by the end of 1992.

The European Broadcasting Union (EBU), whose activities include Eurovision, confirmed its support for ECTVY '88, in preparation for which it has already drawn up a number of projects. They include the creation of a European fund for multi-language audiovisual productions; both material and intellectual support for the Geneva-Europe Grand Prix for Television Writing, the aim of which is to encourage young writers; the preparation, in collaboration with the cinema's professional bodies, of a series of

(Contd.)

symposia on, notably, the production and distribution of audiovisual works as well as the relationship between cinema and television and the creation and establishment of machinery to expand the production of animated cartoons for young people in Europe.

In addition to this programme, EBU member television broadcasters have drawn up a long list of "European" projects at the national level. They range from the production and broadcast (sometimes on Eurovision) of programmes, and their participation in various events, to the creation of channels with a European vocation.

As for the ECTVY '88 programme itself, it is copious and is in three main parts.

The first covers media events. For example, prizes were awarded for the best films, authors and actors of the last 30 years of the European cinema - that is, the first 30 years of the European Community - during the opening of the Brussels International Film Festival on January 14. Special programmes, broadcast over most television channels, will mark European Television Day on March 21.

The European cinema will be feted on June 16, when cinema seats will be available free or at reduced prices. The inauguration of the Museum of the Moving Image in London will be celebrated by a gala on June 30, the opening day, in the presence of personalities from all over Europe. Finally, the European Cinema Prizes will be awarded in Berlin, the EC's cultural capital for 1988, on November 26. They will be awarded annually thereafter in the city selected as the Community's cultural capital.

The second part of the programme includes four symposia, the last of which will draw up recommendations to EC governments and institutions. The first symposium will be held in Brussels on March 22 and 23, on the theme of co-distribution; the second in Strasbourg on May 30 and 31, on audio-visual piracy; the third in Munich on June 24 and 25, on co-production, and the fourth in Venice on September 1 and 2, on the relationship between cinema and television. There will be important lectures on a variety of subjects, including the future role of cinema halls (Madrid), the place of the cinema in contemporary culture (Delphi) and European films and the world market (Vienna).

(Contd.)

The third part of the ECTVY '88 programme aims at extending its activities beyond the current year. There are plans to set up a European Cinema and Television Academy, which would be entrusted with organizing the European Cinema Prize each year. The European Commission has launched its MEDIA programme this year in order to stimulate the European audiovisual industry. This programme, whose aims are partly similar to those of the ECTVY '88, will continue in the coming years.

No fewer than 50 events have already been included in the ECTVY '88 programme; others will be added in the coming months. Mr Ripa di Meana, as well as Mme Veil and Mr Adinolfi, stressed the fact that the ECTVY '88 cannot be limited to the EC countries. It involves all of Europe, as is evident from the symposium, to be held in Orvieto from October 24 to 28, on the cinema and television in East-West relations, with participants from both Eastern and Western Europe. The European cultural identity knows no internal frontiers; on the contrary, it must drink at all the springs in order to affirm this identity.

The reactions of those working in the audiovisual sector, some of whom were present at the press conference, have been positive on the whole. The Italian director, Gillo Pontecorvo, expressed his interest in all the ECTVY '88 projects. His colleague, Sergio Leone, the creator of spaghetti Westerns, was more polemical. "The only thing that matters is a producer who gives us money to do what we want", he said.

Money is the sinews of war, as is well known. But more than money is needed on occasion. Besides, the fact that most of the prizes awarded at the Brussels International Film Festival on January 14 went to Italian films shows that the Fellinis and Viscontis have no difficulty finding the money they need to express themselves.

FINANCE: Towards a Community-wide banking system

Lord Cockfield unveils the second banking directive proposed by the European Commission.

Any bank licensed by and established in a European Community country will be able to take full advantage of a Community-wide market of 320m. potential customers. This simple fact is at the heart of the proposal launched recently by the European Commission, which lays down the basis of a Community banking act and, as such, represents the last step in the completion of a single integrated market in services.

The proposal provides for a single Community licence, so that the authorization initially delivered to a bank by its "home country" (or country of origin), will be fully and automatically valid for the entire Community. A bank established in one member state will be able, in other words, to open branches in any other member state without requesting the latter's authorization. What is more, the branches will be subject to the banking regulations of the home country, as they must be considered parts of the single entity based there.

The single Community licence will be valid for a full range of banking activities, including leasing, portfolio management and advice, and trading in securities, both for the customer's account and for the bank's own account. Any banking activity on the list covered by the authorization granted in the home country will automatically be valid in the host country. If, for example, a bank is authorized to trade in securities in its home country, the branch it sets up in another EC country will be allowed to do the same, even if this activity is not open to the banks of that country under its national legislation.

As for banks from third countries, they will be able to obtain the single Community licence and set up branches in the EC, provided that banking institutions from all member countries enjoy reciprocity in the State of the applicant.

The Commission's proposal clearly amounts to a genuine liberalization of banking services. The European Commission has nevertheless taken certain precautions, notably by limiting the proposal's application to establishments already set up under the 1977 banking directive. This means that financial institutions which are engaged solely in seeking deposits, or making loans, for hire-purchase, for example, are excluded from its scope.

The proposal also stipulates that a bank can engage in non-banking activities only within certain limits (not beyond 50% of the bank's own funds and not more than 10% in any one undertaking). The national authorities can also require a bank trading in securities to maintain adequate reserves in the host country.

(Contd.)

The mutual recognition of the authorization delivered by the home country is linked to the harmonization of the supervision of banking activities and the liberalization of capital movements. It will come into effect at the same time as the measures harmonizing conditions of access to banking activities and supervisory conditions. However, it is unnecessary to wait for the harmonization of banking measures in order to achieve the free movement of capital between countries where this is possible.

A PEOPLE'S EUROPE: Old age pensioners continue to be shut out

Many retired Europeans remain "strangers" within the Community.

A national of one of the 12 European Community countries does not have the right, as a "European citizen", to settle down in another Community country after retirement. If he wishes to take up residence in an EC country other than his own, and one in which he has never worked, he will have to accept all the conditions imposed on "foreigners" by the country in question, as the European Commission recently pointed out to the Belgian Euro-MP, Anne-Marie Lizin, in reply to her question on the subject.

Hardly an ideal situation. Mrs Lizin cited the case of a Belgian pensioner who had to wait six months before the French authorities gave him a residence permit. The documents he had to submit included a medical certificate to the effect that he was not suffering from any illness requiring treatment or an operation.

The European Commission proposed to the EC Council of Ministers a regulation giving retired Europeans the right of residence in member countries other than their own, provided they could show their income was adequate. That was in 1979. The proposal has been gathering dust since then.

A PEOPLE'S EUROPE: An end to discrimination in council housing

It is no longer necessary to be a national of the host country in order to have access to council housing.

Italy is an attractive country. Mr X decided he would settle there and continue with his unpaid activities. He therefore asked for a loan at a reduced rate of interest in 1984, in order to buy a house at Mordano, in the province of Bologna.

The regional authorities turned him down. Mr X no doubt was Belgian, perhaps even European - but certainly not Italian, they argued. But Italian nationality - and Italian law was formal on this point - was essential in order to rent or buy a council house or obtain a loan for this purpose at a reduced rate of interest.

Mr X refused to give up; on the contrary, he took the matter to the European Court of Justice on 10 December 1984. Three years later the court gave its ruling - in favour of Mr X. It based itself on the argument invoked by the European Commission, that reserving the rights in question for nationals is contrary to Community law. The Italian authorities, as those of other countries, must bear this in mind.

Mr X was happy, as was the European Commission, which took the view that the Court's ruling reaffirmed the equality of rights of Community citizens, as well as the right to non-discrimination within the Community as regards freedom of establishment and to provide services, in accordance with Articles 52 and 59 of the European Treaty.

The ruling marked another step, therefore, towards a People's Europe.

NUCLEAR MATERIALS: Bombs from nuclear waste?

The European Commission tries to throw light on a murky story.

There are limits to what the European Commission can do. This, in substance, is what the European Commission's experts on nuclear matters told the press. The Commission clearly wanted to put the record straight, in view of the flood of revelations, comments and criticisms pouring from the media on the subject of the traffic in nuclear materials.

If the European Community - in this case EURATOM* - has a special responsibility for the protection of the health and safety of the Community's population, its role is a very limited one when it comes to the transport of nuclear materials or nuclear waste.

The Community has laid down basic standards regarding permitted levels of radioactivity. The EURATOM inspectors have the task of making sure that the nuclear plants in operation in the Community do not exceed them. These plants are regularly visited by the inspectors, who must inform the relevant national authorities at the time of their first visit. Two hours' notice is enough for subsequent visits.

If the Commission's inspectors notice that the permitted levels have been exceeded, the Commission can act against the responsible national authorities. It can ask the European Court of Justice to order the shutdown of the installations in question.

There are no specific European regulations regarding nuclear waste; however, waste from nuclear installations must conform to the basic standards, according to the experts. The European Commission also takes the view that dangerous radioactive materials cannot be passed off as waste within the 12-nation Community.

The transport of radioactive nuclear waste materials is not subject to any Community regulations; the only rules are those laid down by the International Atomic Energy Agency (IAEA), based in Vienna. The Community's inspectors can only record the movements of nuclear waste.

As for the risk of the spread of fissile materials around the world, the EC has the authority to check exports of products or substances by the Twelve. The transfer of technology between member countries and third countries is completely outside its control. In other words, a Community country can sell its nuclear know-how to third countries, free of any Community checks.

* The European Atomic Energy Community.

INDUSTRY: A surplus of trucks

Yet another manufacturing sector in the throes of reorganization.

Steel, man-made fibres, ships ... There is no shortage of industrial sectors in Europe with surplus capacity. The truck industry is another, as the European Commission has pointed out in its reply to the British Euro-MP, James Scott-Hopkins.

European manufacturers currently have an excess production capacity of 60,000 vehicles, amounting to 20% of Community output. Roughly 40% of the output was in excess of requirements in 1984. The European industry has been restructuring itself since the beginning of the 1980s. This has resulted in factory closures and mergers, such as that of DAF and Leyland, mentioned by Mr Scott-Hopkins.

European production has fallen from 421,000 vehicles in 1980 to only 288,000 in 1986. This fall is due largely to declining markets in the oil-producing countries and in the Third World, according to the European Commission.

CONSUMER PROTECTION: Inflammable plastic foam in the dock

Community law does not stand in the way of a ban under national legislation.

The Treaty of Rome, the "European Constitution", and Community law do not prevent any of the 12 European Community countries from banning a dangerous product or substance within its borders, even if the product in question has been imported from another EC country. The European Commission has found it necessary to point this out clearly, following comments in the U.K. that the ban on the use of polyurethane foam, as envisaged by the British government, would be contrary to the European regulations.

Faced with numerous fires which have been caused, or made worse, because of the inflammable polyurethane foam used in some furnitures, the British Government could ban its use for this purpose. The European Commission has pointed out that the Treaty of Rome, which provides for the free movement of goods among the Twelve gives national authorities the possibility of restricting imports and trade on grounds of public safety, protection of people's health and lives, etc.

Some years ago the European Commission did not act against France, when the country's authorities decided to ban certain plastic materials following a fire in a discotheque near Grenoble.