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#### YOUTH: Promoting a European identity

The Council adopts a programme to promote youth exchanges in the EC.

Efforts to promote youth exchanges within the 12-nation European Community will have its financial backing. Thanks to the action programme Youth for Europe, which the Council of Ministers adopted end May, young people are to have an opportunity to travel to other Member States and to meet people of their own age. Young people from regions in which there are few opportunities for such exchanges will be especially encouraged to take part.

The exchanges are aimed at people between 15 and 25 years of age. They can be organized between two countries or serve to bring together youngsters from several EC countries to collaborate on a joint project. The exchanges will last at least a week and will enable those taking part to acquire an experience likely to help them in their working life.

During their stay the young people should have the opportunity to gain a better understanding of the living conditions and problems of the youth in the country they visit. Under the programme funds will be available for joint projects likely to develop permanent ties between young people from different Member States.

"Youth in Europe" will run from 1989 to 1991. It has a budget of ECU 15mn.\* A detailed programme will be worked out by the European Commission during the second half of this year.

\* 1 ECU = UKf0.66 or IRf0.78

## CULTURE: The Twelve are ready to act boldly at last ...

... on the basis of priorities set by their Ministers.

The word "culture" may yet come to represent something more than the second half of the word "agriculture" to most Europeans. The European Commission's cultural ministers agreed at the end of May to cooperate systematically with each other, with the audiovisual, book promotion, professional training and company sponsorship of the arts receiving priority.

In the absence of any reference to cultural matters in the Treaty of Rome, the European Community's "Constitution", the Ministers decided to set up a Cultural Affairs Committee, consisting of representatives of the national administrations. Its task will be to promote cooperation in cultural matters.

The Ministers also selected the Community's cultural cities for 1992 and 1993. They are Madrid and Antwerp respectively. No city has yet been selected for 1991, to succeed Glasgow (1990), Paris (1989) and Berlin (1988).

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#### AUDIOVISUAL: The Seventh Art in splinters - 12 of them

Looking for a way out of an economic crisis.

Film production in the European Community has fallen by 40% in 15 years. The distribution of Community productions has declined by 30% in 10 years. And more than 70% of the films and serials shown on television are imports.

The European Cultural Commissioner, Carlo Ripa di Meana, gave these figures in Cannes recently, and they contrasted sharply with the glitter of a film festival that many consider to be the most prestigious in the world.

But this contrast only serves to underline the fact that the crisis the European film industry faces is economic. There is no shortage of talent, as the award of the top prize at this year's Cannes film festival to a European film clearly demonstrated.

Although European production of feature films is falling, the Community manages nevertheless to produce twice as many of them as the United States. But it exports only one-tenth as many and nearly 60% of the films shown in European cinemas originate across the Atlantic. Their number in fact has risen by 50% in 10 years.

The public's desertion of cinema halls is reaching alarming proportions. The number of cinemas is expected to be 30% fewer in 1988-89. Low-budget films have been particularly hard hit as a result, especially those produced in the Community's smaller Member States. These films cannot recover more than 30% of their production costs from showings in public cinemas, according to experts. They must find an outlet therefore in television and video.

But television is far from being a paradise for European directors and producers. The price of an hour-long fictional film made in the United States amounts to no more than 10 to 15% of the cost of producing a film of equal length in the Community. It is hardly surprising, under these circumstances, that more than half the imported fictional programmes are from the United States. What is more, the proportion of American programmes shown at peak hours on television is rising steadily.

Given the multiplication of television channels in Europe and the rise of video, demand for programmes will rise 10-fold over the next 5 to 10 years, according to the European Commission. As Mr Ripa di Meana pointed out, a scattered and fragmented European audiovisual industry can neither meet this need nor face up to the competition from the rest of the world. Hence the Community's efforts to encourage the creation of a single market for audiovisual products also (see next page).

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### CINEMA: Film-making, European style

The MEDIA\* programme launches its first pilot projects.

The European Commissioner with special responsibility for cultural affairs, Carlo Ripa di Meana, chose the 1988 Cannes film festival to announce the launching of the first pilot projects by the European Community's MEDIA programme. The projects, four in number, deal with the distribution of low-budget films, the training of young producers, encouraging independent film productions and the development of image synthesis.

The distribution of low-budget films will receive financial support from this month, through the European Association of Professionals. Feature films with a budget of less than ECU 2.5mn.\*\* could receive an advance of 50% of distribution costs, provided at least three distributors in different EC countries undertook to handle them. This would make it possible for the 80% of low-budget films which never get a showing outside their country of origin to secure a wider audience.

Some 50 young producers, representing all 12 Community countries, will gather in the Belgian city of Namur on June 6 to begin economic, commercial and technical training. They will continue their training in Munich in November and in Barcelona next February.

An investment club for the application of the new technologies to the audiovisual industry will be set up in Madrid on June 28. The Club will include bankers, producers and industrial companies. Its aim will be to raise funds for the production of image synthesis and the use of computers in the production of animated cartoons.

More than 200 independent producers will be able to take part in a show in Cannes in October. It will be on a scale to which they are not accustomed.

The budget of ECU 5.5mn. which the European Parliament's budgetary committee has allocated for the MEDIA programme will make possible a series of activities expected to cost 2 1/2 times as much. This is because both private and public bodies in the Member States will also contribute financially. Other projects, involving not only the cinema but also television and video, will be launched between now and the end of summer.

<sup>\*</sup> Measures to Encourage the Development of the Audiovisual Industry.

<sup>\*\* 1</sup> ECU = UK£0.66 or IR£0.78

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#### UNEMPLOYMENT: Seasonal drop in March

16.3mn. registered unemployed in the 12-nation Community.

The number of registered unemployed fell by 340,000 in March for the European Community as a whole. But the fall was due largely to seasonal factors, as Eurostat, the EC's statistical office, has pointed out. The number of registered unemployed declined in all 12 Member States to stand at 16.3mn. for the Community as a whole.

Some 10.4% of Europeans of working age were genuinely unemployed at the end of March, according to Eurostat estimates. This was the same percentage as in February. This estimate takes account of seasonal factors and allows for the effects of differences between national recording methods.

Male unemployment declined marginally in March, falling from 8.4% to 8.3%. Female unemployment remained at the much higher rate of 13.5% for the Community as a whole. The female unemployment rate was twice that for men in Belgium, Italy, Portugal and Spain. The proportion of young women in total female unemployment was extremely high in Italy (48.5%), Portugal (46.6%) and Spain (51.9%).

#### UNEMPLOYMENT: Nearly 11 times higher in Andalucia than in Luxembourg

The EC's regional unemployment map in 1987.

Unemployment in Luxembourg and the Stuttgart region of southwest Germany is just a shade over 3%. The unemployment rate is 11 times higher in Andalucia, in southern Spain, where one in every three workers is jobless. The gap between these regions of the European Community is enormous, as the Community's statistical office, Eurostat, has pointed out in its regional survey of unemployment in 1987.

The regions with the highest unemployment rates are to be found in the south and northwest of the 12-nation Community. They include Spain; the Italian Mezzogiorno; Ireland; Northern Ireland; the Mediterranean regions of France; Scotland; Wales and northern England.

But there are regional disparities even within individual EC countries. The north of Germany and of Britain has been harder hit by unemployment than the south. The situation is the reverse in Belgium, Italy and Portugal. Youth unemployment is to be found more in the Community's southern regions than elsewhere.

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#### TRANSPORT: One European lorry in three travels empty

An absurd situation, which should end in 1992.

Nearly one lorry in three that you encounter on the European Community's roads and motorways is travelling empty - which does not prevent it from adding to traffic problems and polluting the atmosphere. This situation, and the waste of time and energy it engenders, are due to the present system of bilateral licences. It should disappear in 1992, with the completion of the single market.

Professional hauliers, who account for around 80% of road transport in the 12-nation Community, are subject to the system of bilateral licences on most journeys between Member States. These licences are granted by the countries the lorries are passing through or by their country of destination, and they give operators the right to deliver goods – but not to pick up a return load.

The proportion of lorries travelling empty varies from country to country. It is the highest in the countries which are the most restrictive, such as Germany. A survey carried out in 1986 revealed that 30% of hire-and-reward lorries crossing that country's borders were travelling empty, adding inevitably to transport costs.

This explains why a growing number of manufacturing companies are operating their own lorries. However, while they do not need a bilateral licence, they can bring a return load only if it is for delivery to their own company. As a result, roughly half of these lorries also travel empty.

This unhappy state of affairs was described recently by the European Transport Commissioner, Stanley Clinton Davis, in a speech to the Motor Transport Conference at Heathrow. It should change slowly, as the Community moves towards the single European market, set for 1992.

To begin with, bilateral licences, which are negotiated between EC countries as their name suggests, will be replaced by Community licences, a move which should encourage manufacturers to turn to independent operators, according to the European Commission. The decline in the number of company-owned lorries would mean a more rational use of the Community's vehicle fleet.

All bilateral quantitative restrictions would have disappeared as from 1992. This total liberalization is the object in fact of a proposal from the European Commission to the EC Council of Ministers. It could be approved at the end of June. The proposal also provides for a 40% increase each year in the Community's quotas between now and 1992.

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Liberalization would not mean the total absence of regulations, of course. The Commission has proposed that all transport operators be required to meet certain qualitative criteria, notably as regards competence and safety, before they are allowed to do business between Member States.

The Commission believes that once lorries are fully utilized, their numbers could diminish. But it also believes that liberalization, by bringing about a fall in road transport costs, will encourage manufacturers to turn increasingly to professional hauliers, a development which could mean further competition for the railways.

But the railways have already lost ground to road transport in recent years, as a recent Commission report points out. Freight carried by the railways in 1986 was some 27% below that carried in 1979, while the freight carried by road has risen by 3% a year on average between 1979 and 1983 and by 5% between 1983 and 1986.

The railways' share of total freight traffic, which was equal to half that carried by road in 1979, had fallen to less than one-third in 1986, when it amounted to 13% of the total, as compared to nearly 46% for road transport.

For Mr Davis combined transport is the most promising way of reducing traffic on the motorways. When freight has to be carried over long distances, the combined transport system allows it to be carried by rail over much of the distance, and by lorries to the exact point of delivery.

Combined transport has grown considerably in recent years. Freight carried in this way has risen by 46% between 1983 and 1986 in the European Community. The restrictions imposed by Switzerland and Austria on lorry traffic and the completion of the Channel Tunnel should give it a further boost.

The Commission has alrady sent proposals to the Community's transport ministers which would allow governments to support the development of combined transport infrastructure and even help with operating costs. Eurofocus 20/88

## HEALTH: Between 25,000 and 45,000 deaths each year are avoidable ...

... provided current medical techniques are used everywhere.

Anywhere from 25,000 to 45,000 deaths which take place each year in the 10-nation European Community (the EC less Spain and Portugal, its newest members) can be avoided if the medical knowledge and techniques now available are put to use throughout the Community. This observation, the conclusion of a series of studies carried out in 10 Community countries, appears in the "Atlas of Avoidable Deaths", established by Prof. W.W. Holland of Britain in the framework of the Community's research programme on medicine and health.

These avoidable deaths represent fewer than 0.2% of the deaths recorded in the Community each year. While this is a very low rate, the fact remains that each of 17 causes of death identified by the experts is linked to an illness which should no longer prove fatal, such as appendicitis.

The Atlas gives a number of reasons why this is so. They include ineffective application of the available knowledge and techniques as regards vaccinations, health education, health care and surgical operations.

More funds are not necessarily the answer, however. While the proportion of avoidable deaths varies greatly from one region of the Community to another, the studies have shown that there is no simple correlation between the amount of money spent on health and the benefits to the population concerned.

#### TRADE: Wanted: Young executives to train in Japan

Applications are invited for the 9th training programme.

Applications are invited from European executives, ideally between 25 and 35 years of age and employed by a company which exports to Japan, to join the European Community's ninth executive training programme in Japan. The 18-month programme involves extensive language study during the first 12 months and a further six months of in-house training with a Japanese company.

All who are interested can write to the company which will preselect candidates on the European Commission's behalf:

KPMG Peat Marwick McLintock P.O. Box 486 London EC4V 3PD Mr. M. Coney Tel. (1) 236 80 00 KMPG Peat Marwick 1 Stokes Place, St. Stephen's Green Dublin 2 Mr. B. Ward Tel. (1) 73 55 66 Eurofocus 20/88 9.

#### PUBLIC PROCUREMENT: Getting ready for 1992

It should be genuinely European when projects are financed with Community funds.

The European Commission is determined to do all it can to ensure that those who receive Community funds follow Community rules on public procurement – that is to say, give all interested European firms a chance to tender. To this end the Commission decided recently to publicize the rules widely, see they are observed and penalize offenders.

The Commission, which wants public procurement gradually brought within the context of the single market, is unwilling to see the implementation of projects supported by Community funds entrusted exclusively to companies selected on the basis of their nationality, in defiance of Community rules.

Controls will be reinforced to ensure that all companies within the 12-nation Community are treated on a non-discriminatory basis. They will be carried out by the national authorities and the Community agency which has extended the grant or loan in question. If the Commission notes that Community rules have not been followed, it will suspend further payments. It could even ask for the repayment of sums already paid out.

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