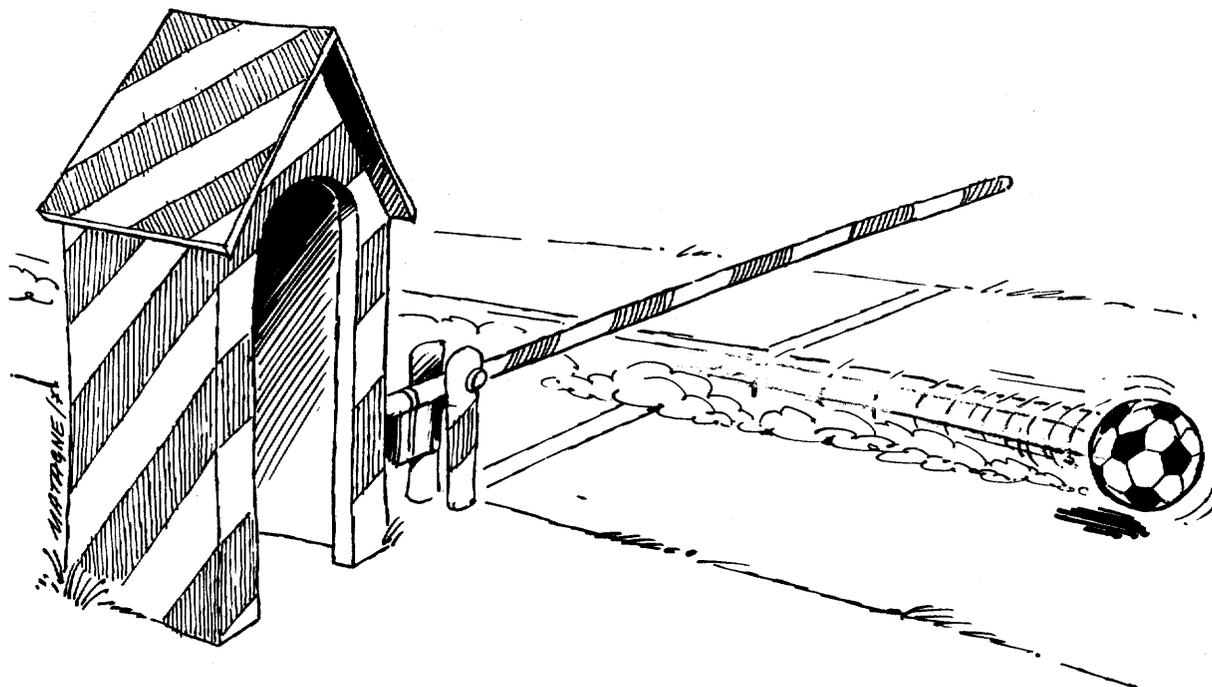


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N° 8/78



The European Commission has slotted in a winner for Community soccer (see page 3).

X/108/78

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++ COMMUNITY SPIRIT ON THE TERRACES

Professional soccer players are workers like any others and should therefore have the right to work in, and be transferred to any Community country they desire. The European Commission has come to an agreement with the Nine's national football federations to enable this legal right to operate in practice.

Euroforum explains the new agreement in Annex 1.

++ THE FRUGAL AND ECOLOGICAL ELECTRIC CAR

By 1990 there could be more than seven million electric vehicles in the Community. They would not pollute the atmosphere, they would make cities more habitable and would only consume 2% of total electricity production.

There is a catch however and in Annex 2, Euroforum outlines the problems still holding back the era of the electric car.

++ ADVERTISING AND CHILDREN

The advertising media already makes great use of children since they are both potential buyers, a means of putting pressure on parents to make purchases, and are also a strong selling argument. Subjected to billboards, posters and TV commercials, children are plunged into the artificial world of consumerism where everything appears readily available without effort.

In Annex 3, Euroforum takes a look at a study on the subject which has been drawn up by COFACE, and some of the solutions envisaged.

++ UNEMPLOYMENT DROPS IN TWO COUNTRIES

In January of this year the number of unemployed in Ireland and W. Germany decreased slightly compared with the January of the previous year. The overall situation for the Community however, deteriorated and 6,243,000 persons were recorded out of work in January as against 5,902,000 the year before. The country by country trends appear to have changed with increases being recorded in the UK, France, Belgium, Italy and Denmark and in particular Luxembourg. Unemployment remained stable in the Netherlands and dropped in the two remaining countries.

Women appear to be affected as much by the crisis as men and the number out of work as a percentage of the female work force increased from 6.1% in January 1977 to 6.7% in Jan. 1978. 5.5% of the male work force was jobless in January 1978 as against 5.3% the year before.

++ EUROPEAN COMMUNITY OR COMMUNITIES?

Common Market, EEC, European Community, European Communities: what should we be calling the Europe of the Nine? When six founding countries set up the Community, they signed three treaties : the Treaty creating the European Coal and Steel Community (ECSC), the Treaty creating the European Economic Community (EEC) and the Treaty creating the European Atomic Energy Community (EURATOM). Almost paradoxically, the promoters of a united Europe created three European Communities.

The institutions involved with these three Treaties were fused together in 1967. Now we only have one Council of Ministers, one Commission, one Parliament and one Court of Justice for all three European Communities, but the current trend of talking about the "European Community" is, legally speaking, inexact.

The European Parliament has recently been pondering the problem and has decided to encourage the use of the one term "the European Community" whenever possible in all official documents and especially in information documents. We'll try our best.

++ INDUSTRY WISHES DIALOGUE WITH CONSUMERS

The Union of Industries of the European Community (UNICE) have taken up their position with regard to consumer protection and information policy:

" The consumer increasingly wishes to be dealt with as a responsible spokesman. And far from denying or countering this trend, industry wishes to engage in a permanent and constructive concertation with the consumer or his/her representatives. Above and beyond this, industry wishes - for the purpose of improving the effectiveness of the exercise - to be associated from the very beginning with all stages of the drafting and implementation of consumer measures."

With this double approach, UNICE wishes consultative bodies of consumers, producers and distributors to become more commonplace so that the dialogue can be balanced and also result in concrete measures.

It is normal, industry recognises, for legislators to intervene with certain prohibitions or controls to protect consumer health and safety, but UNICE calls for moderation: "We must beware of stopping all technical research into new products by introducing over restrictive regulations. Such a course of action would have serious

consequences for Community industry if this were done in haste (banning products without scientific proof of their harmfulness), and without international harmonisation (which avoids distortions of competition) nor constructive concertation". UNICE adds that the legal provisions both at the national and Community level seem sufficient for guaranteeing consumer safety.

Industry is not against the principle of consumer education but takes the view that such education should be defined by a Committee which would be designed to ensure that producers, distributors and consumer associations have the opportunity to express their points of view. For its part, industry feels bound to inform consumers fairly on its products and services. It accepts that consumer organisations also have a role to play in this, as long as their "comparative tests" are carried out in objective conditions. Industry calls for a standardisation of such conditions.

++ COMMUNITY ACTIVITY IN 1977

The eleventh general report on the activity of the European Community in 1977 (which is available from the Office for Official Publications, PO Box 1003, Luxembourg, price FB 200 or equivalent) reveals that in 1977:

- the European Parliament held 13 plenary sessions, examined 252 session documents and voted 256 resolutions. The various parliamentary committees held 311 meetings;
- the Council of Ministers held 64 meetings of which 3 were at Summit level;
- the European Commission held 45 meetings, transmitted 609 proposals to the Council and replied to 1,013 written questions and 59 oral questions from European MPs;
- the Court of Justice dealt with 162 cases and made 118 rulings.

++ COFFEE SHORTAGE?

Following the tremendous rise in world coffee prices, the market has rapidly dropped again (from 310 US cents per pound in April 1977 to 190 cents in September 1977). Faced with a weakening of the coffee market, the Central American coffee exporting countries decided in October 1977 to suspend foreign sales. The question for the Community is whether this decision is likely to threaten the Community's stated objective of assuring regular supply of food to Europeans at reasonable prices.

To this question, which was put forward by a member of the European Parliament, the European Commission has replied that there is no risk of coffee shortages and that there will be no repeat of the exceptionally high prices of early 1977. If unilateral measures were taken by all coffee exporting countries - a hypothetical situation ruled out by the countries concerned - the Community could take immediate recourse to the competent authorities of the international coffee agreement.

++ ENERGY AND PUBLIC INVESTMENT

Between 1974 and 1977 public investment in the energy sector increased in the nine Community countries. When expressed in European Units of Account (1 EUA = \pm 1 dollar at the December 1971 value) governmental investment in energy research and development was:

	<u>1974</u>	<u>1975</u>	<u>1976</u>	<u>1977</u>
Germany	398	417	448	470
France	190	256	247	251
Italy	78	92	115	135
Netherlands	20	27	33	38
Belgium	50	45	69	70
U.K.	128	162	180	177
Ireland	0.1	0.2	0.3	0.3
Denmark	4.2	5	5.5	7.3

++ DIRECTIVE ON ADVERTISING PHARMACEUTICALS

During 1978 the European Commission will be proposing to the Council of Ministers a directive to cover the advertising of specialty pharmaceuticals. This proposal is currently being examined and discussed by interested parties.

++ BANNING DDT

It has been shown that long exposure of mice to food containing the pesticide DDT can produce cancer. But are these results relevant to man? Experts disagree on the point but despite the lack of unanimity, the Commission has taken the view that on account of its persistence, bioaccumulation and ecological toxicity it should be banned in the Community. The proposal is currently being examined by the Council of the Nine.

++ BOTTLE DISPOSAL

Getting rid of bottles involves a number of issues : respect for the environment, saving energy and saving raw materials. The Waste Management Committee, set up by the Commission in 1976 to give advice on such problems, takes the view that measures concerning packaging and particularly beverage containers are a priority.

The Commission is currently examining the various options: banning the use of throw-away containers, taxation, standardisation of containers, voluntary agreements, recycling, etc.

When this work is finished, the Commission will present appropriate proposals to the Council of Ministers.

++ JAPAN-COMMUNITY ENVIRONMENT

In accordance with the environment cooperation agreement signed between the Community and Japan on 1.6.77, the first technical meeting will take place next March 30-31 in Tokyo. The experts will exchange information on air pollution and the control of chemicals.

++ CONSUMER WHO'S WHO

Consumer groups, cooperatives, ombudsmen, family organisations, trade unions, ministerial committees, can all be of use to consumers when they have an issue to fight. A new brochure has just been published listing the names and addresses of all these bodies and other organisations which operate at the European level. Published by the European Commission under the title "Consumer organisations and public authorities" (1977), it is available from the Office for Official Publications, PO Box 1003, Luxembourg, price £1.35.

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COMMUNITY SPIRIT ON THE TERRACES

Both Holland's star international, Rensendrinck, and Denmark's Nielsen are under contract to Belgian soccer clubs, whilst England's Kevin Keegan has now crossed the channel to play for a German team. This is the trend and more and more professional footballers are interested in changing clubs or companies (whichever way you look at it) if the terms are right. International transfers are becoming increasingly common, but face a number of obstacles which the European Commission has been trying to iron out with the football federations of the Nine Community countries.

The basic problem is that the regulations of some of the football federations have tried to restrict the internationalisation of their top football leagues. Germany for instance sets a maximum of two foreign players in first or second division teams. The seemingly chauvinistic Italian federation does not allow non-Italian players to be signed up at all. These restrictive clauses, however, cover footballers from other community countries, and this is at odds with the basic right of free movement and free establishment for footballers within the Community, as decreed by the European Court of Justice in July 1976. Professional soccer players, like any other Community citizens, should have the right to practice their profession in any EEC country without hindrance from custom barriers, work permits, etc. in the same way that refinery workers from Fos-Sur-Mer in France have the right to get up and move to Rotterdam or any other town in the Community, to seek work. It is exactly the same principle that applied in the case of the French doctor who wanted to set up practice in Brussels (see Euroforum N° 28/77).

Sportsmen, quite evidently, should have these same rights, and the European Commission has just met with representatives from the national football federations who have now agreed to modify their regulations to ensure that the employment and selection of club players is not subject to discrimination against Community players. These changes have to be introduced before the 1978/79 season commences.

Top divisions

To avoid any turmoil and financial hardship during the implementation of this ruling, the 1978/79 season is to be a transitional period and the new regulations will not fully apply to clubs involved in the top national league championships and related competitions. A limit of two players from other Community countries will be applicable just for next season. (1st and 2nd division clubs will mostly be affected).

(This provision does not affect players who are already under contract to a club in another EEC country, nor players whose parents have already moved to the country concerned, e.g. this would cover the son of an Italian miner who had emigrated to Belgium). All other clubs will have unrestricted access to Community players.

The Commission's intention is not to encourage football clubs to play with eleven foreign players. This, as the President of the European Football Federation pointed out, would be "suicide", given the local and national roots of soccer. The object is to ensure that any club that wants to bring some Community talent into their side will not be prevented from doing so by national federation regulations. Next season at least a little Community spirit should be visible from the terraces.

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THE FRUGAL, ECOLOGICAL ELECTRIC CAR

On May 1st 1898, a curious torpedo shaped vehicle sped to a new record of 106 km per hour. Local observers were ecstatic about the success from the speed point of view, but failed to demonstrate much interest in the non-polluting aspects, i.e. low noise and no toxic gas emissions. The record-breaking meteorite was an electric car which, despite its originality has been forgotten for many years.

Whilst petrol was still cheap and abundant there was no real need to question the value of the good old combustion engine. It took the 1973 oil crisis and the rise in oil prices to persuade the engine designers to dust down the plans of the 1898 prototype. Energy saving and low pollution are just two aspects of the electric car which have suddenly attracted the interest of the public authorities. Its main advantages over rival combustion engined cars are basically that

- being battery powered it consumes electricity which is a secondary energy source derived from primary sources such as coal, nuclear and hydro-electric power. It thereby reduces dependence on imported sources of primary energy.
- it does not emit toxic gases nor create excessive noise. It could perhaps bring back to our towns the charm and quiet that was briefly found in the midst of the petrol shortage.
- on account of the design and the flexibility in use, it could be the basis of more rational and more rapid city traffic systems.
- it could also be very attractive to car owners, particularly as it lasts longer and requires less maintenance and repair. In addition to cheap running costs, when finished with, the car can be quickly dismantled and recycled.

The only fault

Alas, alack, the electric car is not perfect and has but one fault, and a major fault at that - its energy storage system is extremely heavy and this greatly restricts its range. Current battery technology is not yet capable of producing units which are both light weight and have a high storage capacity. Existing batteries require frequent re-charging, and this has hindered their growth in popularity. Progress in this technology will require time and substantial investment which is not a particularly attractive proposition to the car industry, since the market for such vehicles is uncertain and their profitability a problem.

The size of the market for such vehicles will only become clear when the battery technology has been improved. The electric car is trapped in a vicious circle and to escape, a three stage development strategy is necessary:

1. Short term development of a utility electric vehicle for goods transport in towns, and an electric bus standardised at the European level.
2. Medium term development of an electric town vehicle for public transport. This would correspond to the family's second and third car market.
3. Long term development of a high-performance, long range, inter-city vehicle (probably a hybrid of batteries and fuel cells).

In phase 1 the electric vehicle would be a delivery truck (75% of current utility traffic in the Community travels at less than 50 km/hour) for use by public services. This market could be a testing ground before moving into the private market.

Community involvement

Each country in the European Community already has smaller or larger projects for developing electric cars. Most of the prototypes are being developed by industry with financial assistance from the public authorities and semi-public bodies such as the electricity producers.

The UK, with more than 40,000 electric delivery and service vehicles already in circulation is well advanced. For over 40 years, France has been using electric trucks to collect household waste. The town of Tours has introduced a city centre bus service using six electric buses with a 50 person capacity, an 80 km range and speed of 60 km/hour. Similar schemes have been tried in a number of German towns. Industry already uses tens of thousands of electric fork lift trucks and electric 'locomotives' for its internal transport. Volkswagen and Mercedes - both members of a research association - have built more than 130 electric utility vehicles which have already covered more than 750,000 km.

In Italy, Fiat is the main constructor of prototypes. In Holland, the city of Amsterdam is conducting an experiment in hiring out small self-drive electric cars. In Belgium, work on the fuel cell is underway at the nuclear centre at Mol.

Lack of coordination

Whilst all these projects do have a certain interest, it is rather lamentable that given the richly endowed and well organised research programmes in the USA and Japan, there is a complete lack of coordination in European research. Identical work is, in some cases, being carried out by as many as three different bodies, whilst other areas are completely neglected. This is perhaps where the European Commission can step in as coordinator and encourage the development of the electric transport vehicle. It could also help to ensure at the same time that the vehicles are compatible with the operation of an unrestricted domestic market.

Such a European programme could be drawn up with the help of experts from the Nine and with the collaboration of the proposed "European Association for Electric Road Transport Vehicles" (EUREVA). This association should encompass the European industries involved in developing electric vehicles and the electricity producers (Electricity Council, E.D.F., E.N.E.L., R.W.E.).

The fruits of such a programme could be substantial : by 1990 (extrapolating current trends) the Community could have 7,200,000 electric vehicles (7.3% of car market) which would only consume 2% of the Community's total electricity production (of which two-thirds would be consumed at night).

As most of these vehicles would be concentrated in city areas, (accounting for 15-20% of total cars) they would lead to a considerable reduction in air pollution (CO, SO₂ and NO_x). By rationalising city traffic, petrol and oil savings could be of the order of 10-12%.

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ADVERTISING AND CHILDREN

Up until the sixties, advertising was rarely directed at children. Since then, however, the demands of economic growth have forced the affluent society to look for new markets. Advertisers have turned their attention towards the 'prenatal' and 'postnatal' market, to school children and finally to adolescents. The 'youth market' has come of age and the word 'young', the magic advertising word. Children and adolescents are now firmly established as consumers and marketing targets.

The "Family Organisation Committee for the European Communities" (COFACE) has just published a study in cooperation with the "Legal and Economic Consumer Study Centre" (CEJEC) entitled "Advertising and the child; the young buyer and advertising target". The study has followed two lines of research:

- examining the advertising strategies which involve children,
- analysing the national regulations governing advertising and the codes of good conduct in each Community country.

Three uses of children

Advertising generally regards the child or adolescent either as a target (a real or potential customer), a sales prescriber, or a sales argument. These uses vary according to age, products involved and media involved.

The child is treated as a target when advertising tries to persuade him or her to make purchases. According to the Belgian League of Families (a COFACE member) this strategy is used predominantly for the promotion of sweets, health and beauty articles, books and magazines, and school equipment.

When the child is used to put pressure on his parents to make certain purchases he becomes the sales prescriber. This tactic is used principally to sell (in descending order) toys, food-stuffs and sweets.

Finally, the child becomes a sales argument when advertising uses his/her image (health, personality, safety, beauty, etc.) to persuade parents that by buying this or that product they will contribute to the well-being of their child.

According to the Belgian survey, out of every five adverts of this type, two appeal to the "safety-comfort-health" motivation. Great emphasis is placed on the maternal instinct in order that the mother will feel guilty if she fails to make the purchase.

Artificial world

A number of the family organisations linked to COFACE deplore the way that advertising plunges children into the artificial world of consumerism before the child is capable of being able to stand back and make the necessary critical judgement himself. Parents and teachers are in the best position to correct the mentality created by advertising, particularly with regard to television commercials which have a powerful impact on young viewers.

Most of the adverts encourage the belief that the goods are available without effort. Others give the illusion that they can remove all problems. A good time can be had by buying this or that object.

What protection against advertising.

The abuses for which advertising is sometimes responsible can have a boomerang effect and produce a negative impact. This principle is the basis of the American system for controlling advertising. If the consumer makes a purchase on the basis of poor information and his demand is not satisfied, his scepticism and consumer scepticism in general will increase, and the market will no longer react. This is the view taken by the advertising organisations in the Nine who have also adopted systems of self-discipline to prevent any harmful excesses.

Public authorities have, however, found it necessary to impose certain guidelines through rules and recommendations. TV commercials have a widespread impact once they are put on the air. Two Community countries, Denmark and Belgium have banned adverts from the screen completely.

The methods and force of these regulations vary greatly from one country to another. The UK subjects TV commercials to very strict guidelines which, in some cases, will only allow certain types of commercials to be screened late at night. In France another system is employed which requires commercials to be shown and approved in advance.

COFACE regrets that there is a lack of information to evaluate the effectiveness of the different systems. It can only be based on the views of consumers, who usually think that the application of the rules is limited and uncertain. Fifty seven percent of British housewives interviewed in the survey stated that the TV commercials did in fact encourage the children to persuade parents to buy goods which were not directly meant for children or adolescents.

COFACE suggestions

COFACE has proposed a number of solutions to give better protection to children from advertising abuses:

- ban TV commercials completely on account of their importance in family life and the difficulties involved in controlling them;
- give the organisations concerned the right to intervene and make objective criticisms;
- give a certain amount of TV time to child information programmes;
- correct the serious imbalance (mostly on TV) that exists between the promotion of goods and services backed up by advertising, and the collective goods and services which are rarely promoted to young people. These collective services meet a number of essential needs (cultural and sports equipment, social services, education, health, transport, etc.);
- educate and inform the young consumer.

Advertising now encourages wastage and its methods should be reviewed, but such a revision does not only concern professional advertisers, COFACE concludes. The content of advertising messages too often conflicts with the vision of the world which tries to inculcate parents and teachers. Improving the quality of everyday life also depends to a certain extent on improving the validity of publicity messages and respect for the receivers of the information. An important step will have been taken in this direction when the Council of Ministers adopts the directive outlawing misleading and unfair advertising which it will soon receive from the European Commission.

The use of children in advertising is a more delicate matter. To reduce the current abuses such as conditioning children to like superfluous things and using moral guilt to make parents buy more, one positive approach could be to encourage more frequent encounters between advertisers, publicity organisations and family organisations.

The study on Advertising and Children drawn up by the "Family Organisation Committee for the European Communities" and the "Legal and Economic Consumer Study Centre", is obtainable from the head office of COFACE, rue du Trône 125, 1050 Brussels, Tel : 513.91.70.

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