

AP352



a newssheet for journalists

Weekly N° 31/93

27 September - 4 October 1993

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Mailed from Brussels X

EMPLOYMENT: Two ideas from the Commission to reduce youth unemployment

A network of youth exchanges and a guarantee of training for those under 18.

Nearly one person out of five in the under-25 age group in the European Community is unemployed. This is true for one young person out of three in Spain, more than one out of four in Ireland and Italy and almost as many in France. Among young people, those most threatened by unemployment have no qualifications on leaving school. They number five million in the EC as a whole, or 10% of those in the 16-25 age group. They face a risk four times higher of unemployment than their better-educated contemporaries.

The European Commissioner for employment and social affairs, Padraig Flynn, envisages two complementary schemes, in an attempt to reduce youth unemployment: (1) a European network of national programmes, offering young people work/training assignments in another EC country and (2) a guarantee of training for all those under 18.

Speaking in Barcelona on September 20, Mr. Flynn suggested the introduction of a European programme of apprenticeship and vocational training. This programme, to be called "Youth Start", would build on the experience of Member States and would make it possible for young people to train for six to nine months in another EC country, knowing that this training would be recognized by their own authorities on their return. These training projects could focus on environmental protection, urban regeneration and the restoration of the cultural heritage.

The Commissioner believes the Youth Start programme should also guarantee all Europeans under 18 years of age that they will not find themselves jobless. In practice, all EC countries would undertake to place them either in an educational or training establishment, in work, or in a linked work-and-training apprenticeship.

Commissioner Flynn recognizes that such actions will cost money, but that "there is also a huge cost attached to doing nothing". It remains to be seen how the Twelve will respond to his suggestions.

CONSUMERS: "European" protection for bank customers

The Twelve adopt a "law" which should come into force on 1 January 1995.

What happens in the event that the bank with which you have deposited your savings goes bankrupt? In the worst possible case you lose everything. Or you may recover some, or even most, of your savings. It all depends on the country in which the bank is located - and on the bank's country of origin. As from 1 January 1995 all who have deposited their money in a European Community credit institution will be able to recover, under all circumstances, a guaranteed minimum of ECU 13,500*. This is because on that date a directive ("European law"), establishing a Community-wide system guaranteeing deposits, comes into force. It was adopted by EC ministers in mid-September, but must come before the European Parliament once more before it can be adopted definitively.

The directive will require all EC banks to join a guarantee scheme. In the event of bankruptcy - or should the bank simply disappear - customers will be able to obtain the reimbursement of their deposits ... up to a minimum of ECU 20,000 in principle. However, during the first five years and until the year 2000, EC countries which so desire will be able to limit the guaranteed minimum amount to ECU 15,000. What is more, each country will be able to grant an exemption for 10% of the sum guaranteed, which will therefore be reduced by as much. As a result, the guaranteed amount in the less generous EC countries will come to ECU 13,500.

In principle, sums deposited in country A, with the branch of a bank whose origins are in country B, will be guaranteed under this scheme by the system in force in country B. But such branches will have the option of joining the guarantee scheme in force in the country in which they are located, if it seems more generous, in order to hold on to their large customers. However, branches of banks originating in a country with a more favourable scheme, will be unable to pass the benefits on to their customers in countries with a more restrictive scheme.

* 1 ECU = UK£0.77 or IRE£0.82

VAT: The European Community's border-free system is working

But each country has its own problems and the crisis is hitting national budgets.

The frontier-free VAT system which was put in place on January 1 of this year seems to be working reasonably well at the level of the 12-nation European Community, according to an as yet incomplete assessment which is being carried out by the European Commission, in order to draw up the system's first balance sheet. Without waiting for the official presentation, set for the end of October, the European Commissioner for taxation, Mrs. Scrivener, preferred to make a preliminary assessment in order to reply to the criticisms expressed by EC finance ministers when they met in Brussels.

According to the Commissioner the tax authorities in the 12 EC countries are cooperating well with each other, something which is essential to the scheme's smooth operation. As a result, it has been possible to eliminate the payment of VAT at the EC's internal frontiers, thus allowing goods to move freely within the single market. But if fraudulent practices are to be prevented, the various tax authorities must exchange all necessary information in time.

As for the problems that businesses can face when completing VAT formalities under the new scheme, Mrs. Scrivener has pointed out that its implementation in each EC country remains the responsibility of the national authorities, and not that of the European Commission.

As for the fall in VAT receipts, a source of concern to EC finance ministers, Mrs. Scrivener has made it clear that it has nothing to do with the new system. Of course its operation is leading to a slight delay in the arrival of VAT receipts in the coffers of the national treasuries, given that VAT is paid during the purchase of the goods in the country of destination and no longer when these goods enter the country of destination. But the fall in VAT revenues is due to the drop in consumption, because of the crisis, particularly as regards cars. VAT is paid, after all, only on what is bought.

CONSUMERS: A new transborder agency

It has just opened in Kehl (Germany) close to Strasbourg (France).

The ninth transborder agency for consumer information, which has just opened its doors in Kehl (Germany), is a joint realization of two consumer organizations, the one based in Baden-Württemberg, the other in Alsace. Located a stone's throw from the frontier and the French city of Strasbourg, the new agency is easily accessible to any consumer seeking information or facing a problem arising out of a cross-border transaction. It is a direct manifestation of the new 3-year plan for a consumer policy, aimed at bringing the single market to consumers.

"This network will grow in the coming years, its task being that of helping European consumers, and more especially those who live close to the Community's internal frontiers, to take full advantage, and in complete confidence, of the single market", the European Commissioner for consumer policy, taxation and customs, Mrs. Scrivener, pointed out. She added: "The cornerstone of this plan is the principle that the consumer must be given the same protection in the single market as in his own country".

Consumers have always been tempted by the prospect of buying, selling or investing in another country, if it can be done more profitably than at home, even if it means turning to smuggling in order to evade customs and other barriers. But these are the very barriers which are being swept away for good under the single market, along with all the obstacles to cross-border trade. Rather than dissuade Europeans from seeking better opportunities elsewhere, they must be encouraged to do so, in their own interest and in that of the single market. To this end they must be given the necessary information and reassured as to their rights, particularly in the regions bordering the Community's internal frontiers, where the need for information and advice is the greatest.

ENVIRONMENT: The fight against pollution

European Commission proposes coordinating controls on industrial installations.

The European Commission adopted a draft "European law" in mid-September aimed at preventing and reducing atmospheric, water and soil pollution caused by industrial installations. It represents a new approach to the problem, one which is global and based on the best available technology, with industrial installations authorized only if polluting emissions are kept within fixed limits.

The new "law", which obviously must be adopted by the EC Council of Ministers, requires each Member State to designate a competent authority, where one does not exist already, entrusted with the task of coordinating the grant of authorizations for the building of industrial installations likely to give rise to atmospheric, water and soil pollution. This directive should come into force in June 1995. It would set the upper and lower limits, with Member States free to act within them, in keeping with the principle of subsidiarity.

AIR TRANSPORT: Harmonizing enquiry procedures into aircraft accidents

European Commission proposes defining common bases for conducting such enquiries.

Once adopted by the EC Council of Ministers, a new "European law" - a directive - should make it possible to improve air safety by facilitating enquiries into aircraft accidents. It clearly is important to be able to determine quickly the causes and the circumstances in which the accidents took place, in order to be able to prevent them recurring, as far as possible.

The "law" in question is based on certain basic principles. To begin with, the obligation to conduct an enquiry into every accident and serious incident with the sole aim of preventing them in future. This requires a clear separation between the legal enquiry, designed to establish responsibility and the technical enquiry, as well as the independence and permanency of the body entrusted with the enquiry. The report of the enquiry should contain the conclusions and recommendations regarding safety, to be followed up as necessary. Finally, steps will have to be taken to ensure that the enquiry is not put to improper use, notably for ends other than accident prevention.

INDUSTRY: A further decline in production in May and June

The situation is particularly bad in Germany (West).

The construction industry is not always a reliable indicator of the health of an economy as a whole. The fact is that during the second quarter of this year industrial production in the European Community as a whole fell by 0.6% in relation to the previous quarter - while the construction industry recorded a growth of 0.5%. These figures, published in mid-September by Eurostat, the EC's statistical office, show that industrial production is still falling - one of the aspects of the economic crisis in the 12-nation Community.

In May the decline in relation to May 1992 amounted to 4.2% and in June to 3.8%. These unfavourable results were a reflection largely of the situation in Germany (West), which recorded a fall in production of 9.4% in May and of 8% in June.

For the second quarter of 1993 as a whole, Germany recorded a fall in relation to the previous quarter (0.9%) which was greater than that for the EC as a whole. This was also the case as regards Denmark, which experienced a fall of 3%, Spain (0.9%), France (1.1%), the Netherlands (1.2%) and Portugal (2.2%). Industrial production rose, however, in a number of EC countries during the second quarter: Greece (3.1%), Luxembourg (2.1%), Belgium (1.4%), Ireland (1.3%), Britain (0.8%) and, if only slightly, Italy (0.1%).

Three major categories of industrial investments have been affected by the fall: investment goods, which in principle should benefit from an eventual recovery, fell by 1.6%, as against a rise of 1.1% in the U.S.; intermediate goods, which are half-way between investment and consumer goods, whose production fell by 1.3% in the EC but rose by 0.6% in the U.S., and, finally, consumer goods. Here production declined by 0.5% in the EC - and by 0.4% in the U.S.

SCIENCES: A European week for students and the public

Major events are programmed across Europe between November 22 and 27.

If you are in secondary school or university, a teacher or simply a citizen with an enquiring turn of mind, make a note that the first-ever European Week for Scientific Culture will run from November 22 to 27. The initiative for it has come from the European Commissioner for education and research, Antonio Ruberti. A variety of events - including exhibitions, lectures, television broadcasts and competitions - is being organized in not only the European Community but also Sweden and Switzerland, with a view to helping Europeans understand science better. Some of the events will be open to the public, while others will be reserved for students, teachers or the media.

The British Association for the Advancement of Science, for example, is organizing a competition, open to all young Europeans aged from 14 to 21, offering them a journey through the contemporary reality of Scientific Europe. Four research centres, located in Birmingham, Cologne, Lisbon and Valencia, will open their doors to students and teachers, while the European Space Organization will invite 18 European secondary school students to study the cosmos from its laboratory in Chile.

With 22 events in all, the organizers clearly have shown a good deal of imagination and enterprise. The aim, as Mr. Ruberti has pointed out, is to "reawaken the public's interest in science", at a time when it no longer is a part of general culture and yet there is a growing need for researchers, engineers and technicians. A related aim is to promote European scientific cooperation.

Detailed information can be obtained from Mr. Michel André at the European Commission in Brussels: Directorate-General XII, Information Service, 200 rue de la Loi, 1049 Brussels, Tel.: 0032-2-296 07 81, Fax: 0032-2-295 82 20.

COMMUNICATIONS: The Dutch lead in letter writing ...

... while the Danes and Luxembourgers spend much time on the telephone.

The Dutch hold the European Community record when it comes to letter writing: each of them sent some 400 letters on average in 1991, according to Eurostat, the EC's statistical office. But the West European record was held by the Swiss, who managed a staggering 700 letters per person.

The most dense EC telephone network seems to be in Denmark and Luxembourg, with more than 50 main lines per 100 inhabitants - as in Finland, Norway and Sweden. The Swedes in fact hold the West European record, with nearly 70 lines per 100 inhabitants. At the other end of the scale is Portugal, with just over 20 lines, a clear indication that the spread of the telephone is related directly to a country's wealth.

EUROPEAN AWARD: The gold stars of twinning ...

... are meant to reward towns showing a strong commitment to building Europe.

The twinning of European towns helps bring together the European Community's citizens, and the European Commission intends encouraging such initiatives. Thus it awarded prizes this year to a certain number of particularly meritorious activities organized by twinned towns which enjoyed the EC's financial support last year, in the framework of a Community programme favouring the twinning of towns and cities.

The jury entrusted with the task of drawing up the list of 10 activities meeting the criteria of the Community programme included representatives of the European Commission, European Parliament and the two main organizations of local authorities which promote twinning - i.e. the council of districts and regions of Europe and the world federation of united cities and twinned towns. The official prize giving ceremony will take place on October 22 in Strasbourg. It will be a gala occasion, marking the 19th States General of the districts and regions of Europe.