EUROPEAN COMMISSION
Directorate-General for Information, Communication, Culture and Audiovisual Media

Monthly newsletter
ISSN 1021-2353

frontier-free EUROPE

The euro, symbol of a common area

by Emma Bonino, Member of the European Commission

There is a symbolic element to money. It is by taking account of this element, and the lessons to be drawn from it for purposes of information and trade, that confidence in the euro can be built. For confidence is the key to its acceptance.

European citizenship and identity

The introduction of the euro will mean the disappearance of one of the symbols of belonging to a State. A currency symbolises this link with the State through the images it conveys, its use as a medium for the payment of income and other taxes and the receipt of benefits, as well as in the severity with which the law punishes attempts at forgery. From its inception, money has been the exclusive prerogative of State power. National and Community authorities must therefore ensure that the symbolism attached to a national currency is transferred to the euro, even though European Union (EU) institutions may often seem distant, or even inaccessible and incomprehensible, to the ordinary citizen.

The EU Council of Ministers very wisely took this into account when deciding on the design of euro coins. The reverse side, showing the coin's value, will be the same everywhere, as it will symbolise the unity created by the euro. The face of the coin, however, will show national symbols, each surrounded by the 12 Community stars. In this way the coins will affirm the continuation of the national identity of each Member State, but within the whole formed by the European Union. The euro clearly symbolises European citizenship and identity.

Bank charges and dual pricing

The question of bank charges bears closely on the symbolic aspect of money. As an intermediary, the euro must remain neutral for purposes of trade. However, the building of Europe is based on the need to enlarge national markets, to the extent that the latter can no longer properly meet the needs of individuals and companies. A single market, a single currency: this is the slogan of those who want to benefit from the advantages the single market offers. Consequently, no one would understand how banks could appropriate this new public property, the euro, for themselves, and make money from it in the short term. In short, let banks pass the cost of their investments on to their customers. The euro must appear to consumers as an opportunity, and not the threat of higher bank charges.

Dual pricing will also play a decisive role in facilitating the transition from the national monetary symbol to the European one. It will demonstrate concretely that the introduction of the euro is neutral in economic terms. It is essential that consumers have confidence in what the professionals are doing, and that they use their time to understand and use the new prices, rather than to verify them or complain. Hence the need to negotiate the rules of conduct which guarantee consumers the possibility of finding their bearings throughout Europe. The euro, in other words, must also symbolise a common area.

Could not the introduction of the euro lead to a new consumer culture, based on dialogue and our individual roles? To professionals, I say: you must see to it that the consumer is once again at the centre of your concerns. Together we must do everything to ensure that the transition to the euro takes place smoothly, in a spirit of cooperation. It is in this sense that I appreciate the idea of local monitoring centres for the transition to the euro, to which the representatives of all sectors would contribute. They would make it possible for citizens to cooperate truly in the euro project. In addition, national and European authorities could thus follow the transition to the new currency very closely.

Finally, every symbol has an emotional dimension. We must therefore look beyond these practical problems, and work so that the euro is appreciated by EU citizens. The European Commission has already begun work on these symbolic aspects, and the lessons to be drawn from them for purposes of communication.

The euro must become the symbol not only of Europe but also of Europeans.

Standards for liberalised telephones

The 15 European Union countries will have to implement, by 30 June at the latest, an EU directive setting quality standards for fixed telephones, particularly as regards the time needed to connect them and make repairs. The directive, which the EU Council of Ministers adopted on 12 February, after its adoption by the European Parliament, adapts the existing regulation to the complete liberalisation of telecommunications which took place on 1 January 1998. It ensures, for example, that a subscriber changing companies can have calls to his or her previous number transferred to the new one, or have callers notified of the new number. Moreover, contracts drawn up by telecoms companies will have to provide information on the quality of the services provided. In addition, the powerful organisations on the market — generally the heirs to former monopolies — must provide a universal service, including fixed voice telephony, telefaxes and data transmission. Independent national regulatory authorities will have to make sure that the rates are clearly shown and are exact. They will also be able to make changes to contracts and demand independent verification of the quality of service. The regulatory authorities will also be able to intervene at the request of a user or a service provider who has an unresolved dispute with a telecoms company.

Cross-border home-care benefits

A person who contributes to a home-care scheme in a European Union country must be able to benefit from it even if he or she lives in another Member State. This principle was affirmed by the European Court of Justice in substance, when it held that a German law requiring residence in Germany, in order to receive such benefits, was contrary to EU rules. The case arose out of a dispute between the health insurance fund of Baden-Württemberg and Mr Molenaar, a Dutch national, and his German wife, who worked in Germany but resided in France. When they were told that they could not benefit from the care insurance scheme as they were not resident in Germany, the Molenaars sought permission to stop paying their contributions. When their request was turned down by the health insurance fund, they went to the German social security tribunal, which sought the help of the European Court in Luxembourg. The Court held the principle of mandatory contributions to be justified, but regarded the residence requirement as contrary to the European texts governing sickness benefits in cash. The fact is that home-care benefits allow persons who can no longer manage on their own to pay for services they receive at home, such as help with their toilet or meals.

European cooperation over taxes

By 31 December 2002 national civil servants dealing with VAT and other indirect taxes will be cooperating with each other and with the European Commission, thanks to the Fiscalis programme, adopted by the EU Council of Ministers on 3 March. This programme, with a budget of ECU 40 million (ECU 1 = GBP 0.65 or IEP 0.79) will also allow civil servants to have a common and correct interpretation of European rules on indirect taxation. Fiscalis will also ensure a continuous improvement in administrative procedures in this field. The means to be used range from exchanges of information and civil servants to a joint initiative in vocational training, as well as seminars, handbooks and the organisation of checks involving several countries. All these measures should contribute to a more effective operation of the European single market.

Watch out for concentrations!

Concentrations which affect the European Union market cannot take place without the authorisation of the European Commission, which has the task of implementing the regulation on company mergers and acquisitions. The Commission in fact imposed a fine of ECU 33 000 on the South Korean company, Samsung, in order to remind all companies forcefully of its role. Samsung was both late in notifying the Commission that it had taken control of the American company AST Research Inc., and it had done so without the Commission's authorisation. The concentration in question, in the sector of personal computers and other electronic products, posed no competition problems for the EU. But the Commission pointedly drew attention to its prerogatives in imposing a fine on Samsung which was expected to respect European legislation. Indeed, this was the first time it had imposed a fine since the regulation came into force in 1990.

Bananas: no discrimination here

The European Union does not have the right to exempt certain importers of bananas from Costa Rica, Colombia, Nicaragua and Venezuela, intended for the European market, from export certificates. A ruling to this effect was handed down by the European Court of Justice on 10 March, when it declared void certain of the provisions of two texts of the EU Council of Ministers. The provisions in question favoured European importers who market bananas from the EU and/or 'traditional' bananas from the associated African, Caribbean and Pacific countries. The texts which have been declared void in part are, on the one hand, a 1995 regulation implementing a system dating from 1993 for an internal market in bananas and, on the other, a decision approving an agreement between the EU and four Central American banana producers: Costa Rica, Colombia, Nicaragua and Venezuela. The case was brought by Germany, supported by Belgium, as well as by a German importer, all of whom were opposed to the provisions now declared void.

☐ IN BRIEF

In keeping with the code of conduct on **company taxation** which it adopted last December, the EU Council of Ministers decided on 9 March to set up a high-level group to assess the fiscal measures which can be incorporated in the framework of this code. The group will include representatives of the 15 EU governments and the European Commission. The code is aimed at eliminating fiscal measures which result in unfair competition between EU countries.

The **Socrates programme**, which funds student scholarships and other exchanges in the educational field, will have ECU 920 million in all — that is, an additional ECU 70 million in 1998 and 1999. A decision to this effect was taken by the EU Council of Ministers on 12 February, following last December's agreement between the Council and the European Parliament.

By 31 December 2000 one million head of cattle, in six European Union countries, will have been fitted with an **electronic identification system**.

COMPETITION IN TELECOMMUNICATIONS: WHY AND HOW? (II) ([1])

Does deregulation mean an end to high-quality services?

On the contrary, the laws adopted by the European Union's Member States to deregulate the telecommunications industry guarantee a universal service for all. The term 'universal service' has no implications in terms of the ownership of telecommunications infrastructure and services. Universal service can be provided either by the public sector or by private firms: the aim is to provide a high standard of service, on a European scale, which anyone can afford, including people in social, health-related or economic difficulties.
Universal service has certain principles (equality, universality, continuity and adaptation) and guidelines (financial transparency and external auditing) to live up to.
The term is defined in a way which is both flexible and adaptable to changing circumstances and pays proper regard to specific national characteristics.
Universal service fits in well with the European model of society: twinned with deregulation, it is part of a policy which accommodates a dynamic market and economic performance with cohesion and social solidarity.
With this in view the European Union has asked the Member States to guarantee universal service at affordable prices in relation to directories, directory enquiries, free emergency calls and public telephone booths. If providing such a service is too heavy a cost for a single company or a number of companies, the national market watchdog may set up a system for sharing out the costs among the various companies or compensating them for the expense. In at least five Member States, however (Denmark, Finland, the Netherlands, Sweden and the United Kingdom), the cost was regarded as low enough for there to be no point in setting up a financing system of this kind.
Traditionally, in many Member States the cost of universal service has been put forward as grounds for charging substantially more than cost for long-distance and international calls, while local rates are below cost. There needs to be a rescaling of charges; the introduction of competition for long-distance business has in many cases helped by bringing costs down substantially. The European Commission will keep an eye on the rescaling process to make sure it is gradual and does not penalise people who need a basic service at an affordable price.

Do the Member States still have a special part to play in the deregulation process?

The job of the Member States is to implement the European directives fully and swiftly.
Having defined the terms on which new companies and service providers must ensure access to the networks — including a standard quality of service — the Member States now have a duty to safeguard the general interest, maintain fair competition and see that the universal service requirement is complied with in the telecommunications industry. This also involves them in carrying out flanking policies.
Supposing a Member State should decide to opt completely out of managing such a general-interest service as telecommunications, it would still go on being influential in a number of ways: in keeping watch on the market and the players in it, in contributing towards financing certain forms of infrastructure, and in laying down rules on consumer protection. Even if it is no longer an active player in the economy, the State still has political, legislative and regulatory responsibilities.
After all, the Member States are in a sense jointly responsible for ensuring compliance with Europe's competition rules and therefore for the way competition operates within the internal market.

Does deregulation lead to job losses among the established companies? What scope is there for job creation in the new companies?

In Europe today the telecommunications industry provides jobs for nearly one and a half million people. This estimate takes in equipment producers, network operators and service providers.
A study carried out by the European Commission suggests that the deregulation of telecommunications will have a positive effect on overall employment levels. It found that between 100 000 and 500 000 jobs would be created by 2000 and nearly a million by 2005. These will be more competitive, better qualified jobs.
Alongside this positive trend, however, there will be job losses in the established companies. The report says that about 200 000 jobs will be lost by 2005. The bulk of these will be due to retirement or voluntary redundancy.
On the subject of employment, the Commission has proposed flanking measures not just to ensure that where posts are scrapped there will be social security cover but also to adapt the training given to workers affected by the changes and to support job-creating companies.
There is expected to be a direct job-creating effect among the new operators and service providers and an indirect one on the economy as a whole. The resources released by the lowering of charges will boost consumption and investment, which in turn will promote economic growth and job creation.
In other words, the deregulation of the telecommunications industry extends a long way beyond the industry itself in terms of jobs, competitiveness and economic growth.

UNIVERSAL SERVICE: A EUROPEAN SPECIALITY

The concept of universal service developed by the European institutions is used to refer to a range of general requirements which have to be met right across the European Union by the telecommunications sector. The point of the obligations placed on operators is to guarantee everybody, everywhere, access to certain basic services of a high standard, at an affordable price.
Universal service reflects Europe's determination to complete the internal market while at the same time introducing greater competition in many sectors serving the general economic interest: balanced regional development, equal treatment for all citizens and high-quality service supplied to users round the clock.

([1]) The first part of this article was published in issue No 3-1998.

EXAMPLES OF RESEARCH AND DEVELOPMENT PROGRAMMES AND PROJECTS

The Esprit programme incorporates both industrial R & D projects and measures to promote the adoption of the technology developed. This means that it encourages interaction between users and developers, particularly in the areas of telecommunications, transport, electronics and business services (there is more information on the Internet at http://www.cordis.lu/esprit/home/html).
Info 2000 is a programme designed to stimulate the development of the European multimedia industry and to promote multimedia use and exchanges between users and suppliers. One of the Info 2000 projects was the launching of the MIDAS-NET network, which helps small and medium-sized businesses break into the multimedia world (Internet:
http://www.echo.lu/info2000/infohome.html).
Ten projects for experimental applications of new types of information technology have been put forward by the information society task force set up by the European Commission. They should serve to encourage the spread of the technology involved and to adapt it to users' needs in the following areas: teleworking, distance learning, inter-university networks, information technology services for small businesses, road traffic management, air traffic control, health networks, computerisation of invitations to tender, the trans-European inter-administration network and urban information highways.

How far does deregulating telecommunications fit in with the advent of the information society?

By lowering the charges for telecommunications services, deregulation in the first instance helps to disseminate new forms of information technology more widely and to anchor Europe in the information society.
Teleworking, distance learning, the use of electronic data transmission services, health networks, on-line database consultation, Internet surfing, corresponding by electronic mail — all these are aspects of the information society which lower charges will help to promote.
The presence of new operators on the market for telecommunications services and equipment also strengthens the industry's capacity for innovation and opens the door to further technological developments. Here the European Union plays an active part by financing large numbers of research programmes (the fourth RTD framework programme) and pilot projects in every region of Europe (the Structural Funds).
And deregulation leads to partnerships being set up between telecommunications companies and the multimedia industry, symbolising the alliance between container and content in the information society. What makes this an even more interesting prospect is that Europe holds a great many valuable assets in terms of its publishing sector, its audiovisual media, its software industry and so on which, when brought closer together under the multimedia banner, provide new opportunities for job creation.

For a subscriber, will changing company mean changing telephone number?

There will only be minor technical constraints on changing from one company to another. A subscriber changing his or her supplier will, if he or she wants, be able to keep the same telephone number. It will be up to the company to install its own network or connect itself to the existing network by paying interconnection rights to the owner.
It is also planned that each Member State, acting through an inspectorate independent of market interests, should require equipment to meet certain technical and safety standards.

What legal redress does a user have in a dispute with a telephone company? Which are the authorities responsible?

Should a user and the customer relations service of a company fail to reach any satisfactory settlement, the user can apply to the national telecommunications watchdog set up as part of the deregulation process. In certain cases the user can apply to the national departments responsible for competition-related questions. Only disputes with transnational implications may be referred to the European Commission.

FOR FURTHER INFORMATION, PLEASE APPLY TO:

Info-4

European Commission, DG IV — Competition, Unit C.1 — Post and telecommunications and information society coordination
Rue de la Loi 200, B-1049 Brussels; fax: (32-2) 296 98 19
Internet: http://europa.eu.int/en/comm/dg04/dg4home.htm

Info-13

European Commission, DG XIII — Telecommunications, Information Market and Exploitation of Research
Rue de la Loi 200, B-1049 Brussels; fax: (32-2) 299 94 99
E-mail: Info-13@bxl.dg13.cec.be; Internet: http://europa.eu.int/en/comm/dg13/13home.htm

Information Society Project Officer — ISPO

Rue de la Loi 200, B-1049 Brussels; fax: (32-2) 299 41 80
E-mail: ispo@ispo.cec.be; Internet: http://www.ispo.cec.be

KEY FIGURES

Data Shop Eurostat Luxembourg
tel. (352) 43 35 22-51 — fax (352) 43 35 22-221

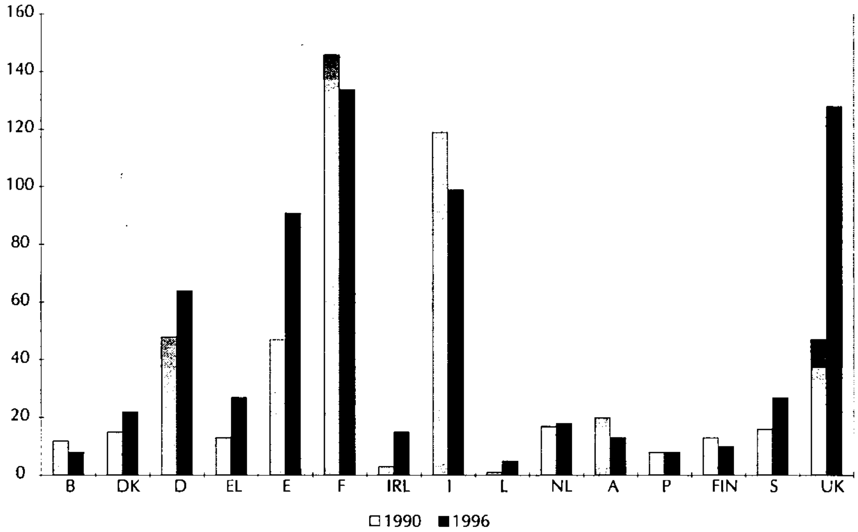
eurostat

The EU audio-visual market
Cinema activity increasing

The volume of EU film production increased in the 1990s. A total of 669 films (national films and international coproductions) were produced in 1996, 144 more than in 1990. More national films were produced

Between 1990 and 1996 two countries in particular contributed to the increase: the United Kingdom (a rise of 172%) and Spain (94%). National film production has also increased in some smaller countries, such as Denmark (47%) and Sweden (68%). The biggest EU film producer was still France with 134 in 1996.

Full-length films produced, 1990-96



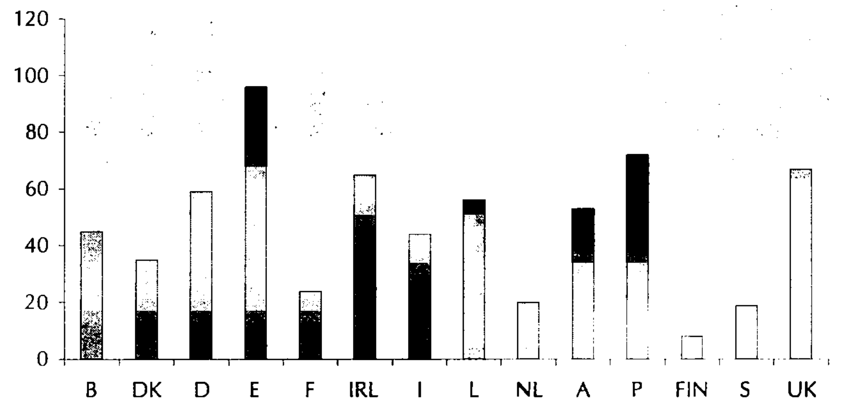
Full-length films produced, 1996

	B	DK	D	EL	E	F	IRL	I	L	NL	A	P	FIN	S	UK	EU	USA
National	2	19	42	26	66	74	-	77	-	-	12	2	8	18	53	412	
Int. coproductions	6	3	22	1	25	60	-	22	-	-	1	6	2	9	75	242	
Total	8	22	64	27	91	134	15	99	5	18	13	8	10	27	128	669	421

During this decade, EU gross box office receipts grew in all Member States. The combined value of the cinema market of the European Union in 1996 was ECU 3 290.3 million

The increase in box-office receipts was substantial in Spain where it almost doubled from 1990 to 1996 (96%). Growth was relatively strong in Portugal (72%), the United Kingdom (67%), Ireland (65%) and Germany (59%).

Cinema income from gross box-office receipts rise %, 1990-96



Cinema income from gross box-office receipts, million ECU.

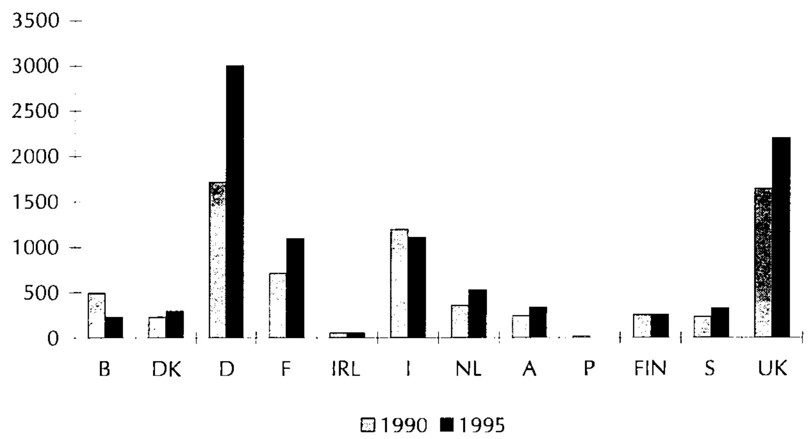
	B	DK	D	EL	E	F	IRL	I	L	NL	A	P	FIN	S	UK	EU(¹)	US
1990	64.9	41.4	403.5	41.0	218.4	553.4	25.0	399.2	2.3	72.6	40.9	15.8	37.5	104.7	374.9	2 395.3	3 943.5
1996	101.5	55.4	688.2	-	343.9	731.6	39.9	447.3	3.9	94.4	67.3	25.1	33.8	109.8	548.0	3 290.3	4 655.6
1990/1996 % rise	45	35	59	-	96	24	65	44	56	20	53	72	8	19	67	–	18

(¹) excluding Greece.

A television licence is required in all EU Member States except Spain, Luxembourg and Portugal. Receipts of EU public broadcasters from TV licence fees in 1995 were ECU 9 466.5 million

Licence fee receipts increased in most countries where the system is in force. Among those countries with the fastest growth were Sweden (69%), Germany (59%) and the United Kingdom (56%).

Receipts of public broadcasters from TV licence fees, million ECU



Receipts of public broadcasters from TV licence fees, million ECU

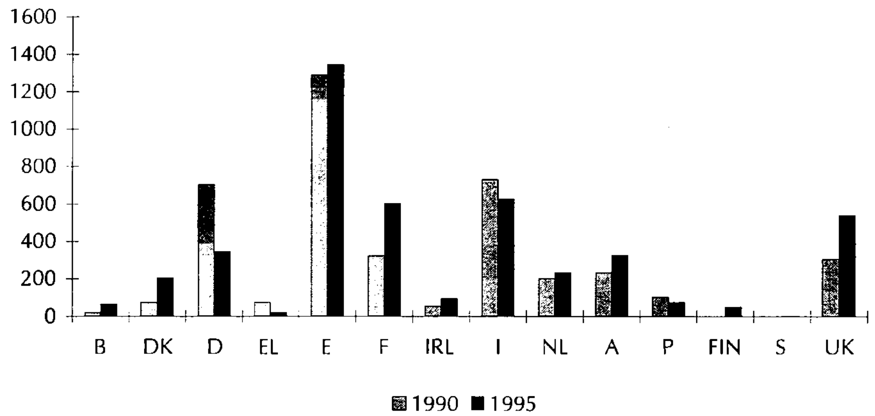
	B	DK	D	EL	E	F	IRL	I	L	NL	A	P(2)	FIN	S	UK	EU(1)
1990	494.0	238.7	1 720.2	:	-	711.9	61.1	1 199.0	-	364.2	250.6	28.8	254.3	239.6	1 641.1	7 203.4
1995	235.9	301.3	3 003.1	:	-	1 098.7	61.4	1 108.3	-	531.7	338.3	-	261.3	327	2 199.6	9 466.5
1990–95 % rise	-57	18	59	:	-	46	7	29	-	33	23		21	69	56	-

(1) Excluding Greece; (2) No TV licence since 1991

In 1995 the total EU public TV income from advertising and sponsorship was 48% of the size of total public TV receipts from the licence fee

Income generated from advertising and/or sponsorship varied from country to country. In Sweden it was only ECU 1.6 million. In several countries it amounted to several hundred million ECU, for example in Spain it was over ECU 1 345 million.

Income of public broadcasters from advertising/sponsorship, million ECU



Income of public broadcasters from advertising/sponsorship, million ECU

	B	DK	D	EL	E	F	IRL	I	L	NL	A	P	FIN	S	UK	EU
1990	21.4	74.3	703.7	75.1	1 289.0	324.3	55.9	731.3	-	202.4	232.4	102.4	-	-	305.2	4 117.4
1995	65.1	206.1	345.3	19.3	1 345.5	601.8	94.8	626.7	-	232	326.1	75.2	51	1.6	540.5	4 531.1

As a result, it will be possible to keep track of them throughout the EU, from their birth to their eventual slaughter. The European Commission agreed to contribute ECU 10 million to pilot projects for this purpose, out of a total cost of ECU 17 million. The project has the French acronym IDEA — electronic identification for animals.

At the present time, an employer in the European Union can refuse to grant the partner of a **homosexual or lesbian employee** the advantages granted to the spouse or common law husband or wife of a heterosexual employee. A ruling along these lines was handed down by the European Court of Justice on 17 February, in a case brought by Ms Grant against her employer, South West Trains Ltd, in the UK. The Treaty of Amsterdam, which awaits ratification, provides for an end to discrimination based on sexual orientation. But EU legislation banning such discrimination would still be needed.

● The euro: some principles ...

No banking charges for the obligatory conversion of national currencies into euro; prices to be displayed in both euro and national currencies as early as possible prior to 1 January 2000; the dates for the withdrawal of national currencies after 1 January 2002 to be harmonised — and all this without binding European legislation. These are the key principles to emerge from a round table organised by the European Commission on 26 February. It brought together representatives of companies, banks, consumers and national administrations. On the basis of these principles the European Commission must submit its recommendations to the Fifteen, on which the latter must decide at the highest level, during the special European Council of 2 and 3 May. This Council must also draw up the list of EU countries which will take part in the euro as from 1 January 1999.

● ... and their possible implementation

In practice, the free transition to the euro means that as from 1 January 1999, the date for the introduction of the European Union currency, bank customers will not be charged for changing an account denominated in a national currency into euro. Similarly, a transfer from a euro account to one in a national currency — or vice versa — will not result in bank charges; it will be up to the beneficiary — a landlord or creditor, for example — to choose whether to be paid in a national currency or in euro. As for the system of dual pricing, it should begin at least several months before the introduction of euro coins and banknotes on 1 January 2002, so as to give the public time to get accustomed to the single currency. Finally, the parallel circulation of national and EU currencies, which will begin on 1 January 2000, should be for as short a period as possible, according to most round-table participants. The Fifteen have already decided to withdraw their national currencies from circulation on 1 July 2002 at the latest, although each country will set its own date. The question now is of setting these dates in a harmonised manner, so as to avoid disparities between the countries which go over to the euro in 1999.

● Freer use of private vehicles

The freedom to live, work or study in the EU country of one's choice remains hampered by taxes on vehicles, which often results in double taxation. The European Commission has received so many complaints on this subject that it proposed, on 13 February, a directive which would make the cross-border use of vehicles much easier. Thus a person who moves from one EU country to another would no longer have to register the vehicle twice over, provided he or she had used it for a period of six months and had transferred it within the 12 months following the move to another EU country. Moreover, Europeans who work in one EU country and live in another could use a vehicle registered in their country of residence for nine months of the year when at work, without the payment of additional taxes. Similarly, an employee could drive 'for free' in his or her country of residence in a car provided by his or her employer and registered in another country. These are not the only facilities that would be available under the Commission's proposal. A person whose vehicle was immobilised on the other side of the frontier could drive for up to two months in his or her country of residence in a replacement vehicle registered in the country in which the accident, or breakdown, had occurred. He or she could also hire on the territory of one EU country a vehicle which was in a country other than the one it was registered in. The proposal would not cover vehicles used for the commercial transport of passengers or merchandise.

● Taxation of associated companies

At present, if a Belgian company, for example, makes interest or royalty payments to an associated company in, say, the UK, it is taxed by the Belgian tax office — but this does not prevent the UK tax inspector from paying a visit as well. In such cases, withholding taxes will be eliminated if the EU Council adopts — unanimously — a draft directive which the European Commission submitted to it on 4 March. There is only one condition: the associated companies must have cross-shareholdings of at least 25 % of the capital. In addition, these interest and royalty payments between associated companies will be subject to taxation in the European Union country in which the beneficiary company is located. The Commission's proposal also contains anti-fraud provisions. Greece and Portugal could retain certain withholding taxes for a maximum period of five years, in order to reduce the budgetary impact of the proposed change to the system; the fact is that in these two countries the interest and royalty payments in question are more often outgoing than incoming. The proposal is one of the three elements of a fiscal coordination package agreed by the EU Council of Ministers last December. The others are a code of conduct on unfair tax competition and a text — still to come — on the taxation of savings.

● Electronic commerce for SMEs

To allow small and medium-sized enterprises (SMEs) throughout the European Union to buy and sell goods electronically, by eliminating technical obstacles and generating confidence — such is the aim of a memorandum of understanding (MOU) and guidelines adopted by some 100 companies and organisations, both European and national, on 26 February. The signatories belong to sectors such as SMEs, banking, information technology and telecommunications, retailing and the regions. As regards the structure of electronic commerce, they recommend the interoperability of systems corresponding

CARS: MAJOR PRICE DIFFERENCES

Differences in the prices of the same model of car, exclusive of taxes, widened between the various European Union countries, according to the latest half-yearly European Commission report on car prices. The report, published on 13 February, covered the period from 1 May to 1 November 1997. Of the 72 most popular models sold in the EU, the price differentials between the most expensive and cheapest countries exceeded 20 % on 1 November in the case of all car manufacturers with the exception of Audi. The differences even exceeded 40 % as regards 16 models. On the whole, prices were highest in the UK and Ireland, and lowest in the Netherlands and Portugal. Monetary fluctuations were partly responsible, particularly the strength of the pound sterling. In addition, differences in the level of national taxes on the purchase of new cars encourage manufacturers to adjust their prices in consequence. Despite the existence of very clear European rules, some manufacturers continue, however, to prevent the sale of their cars to non-residents in a given country. Motorists who feel cheated by such practices can turn to the courts or competition authorities in their own country. An abridged version of the Commission's report is available on the Internet at
http://europa.eu.int/en/comm/dg04/aid/en/car.htm

to different protocols and standards. They propose principles and technical solutions to facilitate the presentation of information, and to guarantee its reliability, as well as to create confidence when documents linking the different parties are exchanged and at the time of payment. The guidelines also set out principles for data protection and recourse in the event of problems.

○ IN BRIEF

As of 1 February, **21.1 % of European single market directives** had not yet been transposed in all European Union countries, according to information published by the European Commission on 13 February. The countries with the highest proportion of directives awaiting transposition were Belgium (8 %), Germany and Austria (7.3 %). Finland had the best score (2.3 %), ahead of the UK and Sweden (2.5 %).

New European Union **rules on the control of business concentrations** came into force on 1 March. Hereafter, all joint ventures which reach a European dimension, as defined by certain thresholds, are subject to European Commission control. In numerous cases the companies taking part will no longer have to notify the same operation to several national authorities. Finally, concentrations in the coal and steel sector (ECSC) are now subject to the same rules as the others.

There is still very little awareness of the **problem facing computers in the year 2000**, according to a paper the European Commission adopted on 25 February. Responsibility for adapting systems lies with suppliers and users, while raising awareness of the problem falls within the competence, above all, of the national authorities. The Commission is coordinating their efforts and making it easier for them to share their experiences. An Internet site deals with both the millennium problem and adapting to the euro: http://www.ispo.cec.be/y2keuro

Ensuring the free movement within the EU of services such as **advertising, sponsorship, public relations and direct marketing**, even while protecting consumers and minors, is the aim of a series of measures the European Commission announced on 4 March. They include a method of assessing restrictive national measures, a contact point within the Commission and a database. The text can be found on the Internet:
http://europa.eu.int/comm/dg15

The Confederation of European Computer Users' Associations (CECUA) is organising, in Brussels, on 21 and 22 April a conference on the theme **'The citizen and the global information society'**. The subjects to be covered include the political and legal environment and the place of citizens and companies. Information can be obtained from the Conference Office, rue du Moniteur 9, B-1000 Brussels; tel (32-2) 219 12 49; fax (32-2) 219 32 15.
E-mail: CECUA@emf.be
Internet: http://www.ispo.cec.be/citizen

In order to protect innovation more effectively, the European Commission proposed on 18 February to **extend to patented inventions existing frontier controls on counterfeit goods**. The present system of control at the EU's external frontiers, which is limited to brand names, has worked very well. The system would also be extended to supplementary certificates for the protection of medicinal products.

Most of the national measures for **the liberalisation of telecommunications** are already in place, according to a report adopted by the European Commission on 18 February. Rates have already come down. However, the presentation of tariffs, while comprehensible to businesses, must often be made clearer for the general public.

SEEN FROM ABROAD

▶ The Baltic States get ready

The three Baltic countries are getting ready to join the European Union, particularly through their national programmes for the adoption of Community rules. They described the work they have done to the EU Council of Ministers, during a meeting in Brussels on 23 February. The Estonian Government envisages a plan which will be updated at the end of the year. Latvia's national programme is based on the European Commission's opinion on the country's membership application. As for Lithuania, it is finalising a plan designed to prepare the country's administration for membership, even while analysing EU rules.

**A great deal of additional information on the European Union is available on the Internet.
It can be accessed through the Europa server (http://europa.eu.int).**

European Commission
Directorate-General for Information, Communication, Culture and Audiovisual Media
Rue de la Loi/Wetstraat 200 — B-1049 Brussels

OFFICE FOR OFFICIAL PUBLICATIONS
OF THE EUROPEAN COMMUNITIES
L-2985 Luxembourg

Catalogue number: CC-AI-98-004-EN-C