



Hot News June 2000

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Access to documents: European Parliament holds up transparency

Work on the planned legislation to grant citizens and residents of the Union the right of access to documents of the European Parliament, the Council and the Commission has been delayed. This is because the assembly is not able to agree on who should draw up its opinion on the proposal. Two parliamentary committees, Citizens' rights and Constitutional affairs, are arguing that the first should handle the dossier, nominating former British actor, Michael Cashman for the task and the second should tackle the issue.

As regards access to documents, the compromise reached on 26 May provides for the rapporteur gaining access to documents only by going via the chair of the parliamentary committee, the only person who may obtain such documents.

This compromise meets the concern of the Commission not to be confronted with requests from all sides. Parliament should also accept the principle of the annual nature of the discharge procedure. There is now a draft text integrating these two elements, but there are a few problems the wording which need to be finalised, e.g. in relation to certain provisions regarding undertakings made by President Prodi and references to the Code of Conduct which applies to members of the European Commission.

A framework agreement between Parliament and the Commission was adopted at the Conference of

Presidents on 8 June. It will be put to the vote at the July part session but without members being allowed to debate it or table amendments. This text should be adopted under the codecision procedure within two years of the entry into force of the Amsterdam Treaty, i.e. before 1 May 2001.



Copyright Directive: mixed response to Common Position compromise

On 8 June, the Permanent Representatives Committee (COREPER) reached an agreement on a copyright law to protect music, films and other works distributed online. This agreement was made possible by compromises over the circumstances in which digital copies can be made on tapes, CDs and in computer memory.

However, the draft agreement falls short of the expectations of some interested parties who claim that compromises to secure a deal will fragment the single market. One of these compromises is a formula to bridge the gap between member states which demanded that authors' and creators' rights must be protected from the threat of wholesale digital copying of their works, and those which insisted consumers must be allowed to make digital copies of content, such as music and television programmes, for 'time-shifting' purposes e.g. making a copy of a TV programme to watch it later. The proposed directive would allow governments to keep exemptions, such as those granted to libraries and the disabled, backed up by EU-wide requirements for member states to act if rightholders use technical measures to prevent them. The agreed document provides an obligatory exemption from the copyright law for service providers, telecommunications operators and others who make so-called technical copies in the process of putting works on the internet. Private copying would be allowed, providing that copyright holders receive fair compensation for those exemptions. The nature of this compensation (tax on the sale of blank tapes and recording equipment, etc.) is left to the discretion of member states.

The Commission said the directive would make cross-border trade in copyright-protected goods and services easier, with particular emphasis on new information society products and services. The proposed directive is expected to be adopted by EU ministers without further discussion, probably before the end of July. It will become law after the second reading by the European Parliament, with a view to final adoption before the end of the year. EBLIDA is currently analysing the text for a response.



Data Protection: adequacy of the US safe harbor privacy principles

On 21 June, in spite of a strong recommendation by Legal Affairs Commissioner Frits Bolkestein to the contrary, the Citizens' freedoms and rights committee adopted a report by MEP Ornella Paciotti in which doubts were raised over the adequacy of personal data protection in the United States. The committee felt that the American system of self-regulation (safe harbor privacy principles) contained several loopholes and was not yet fully operational, mainly concerning the nature and scope of the principals proposed on 'confidentiality', which provokes a feeling of uncertainty as to the effective protection of data.

The report was critical of the Commission because data relating to EU citizens now seemed to be circulating in third countries without any effective control by the Commission or the EU Member States. The Commission was given until 30 September to draw up standard contractual clauses that

EU citizens could invoke in the courts of third countries.

The committee agreed that, for economic reasons, it would be unwise to hold up the free movement of data to the US, all the more so since this transfer apparently already takes place without any guarantees whatsoever.

Commissioner Bolkestein stressed that further improvements in negotiations with the US were not possible, so he fears that a "yes, but" from the European Parliament would risk the entire safe harbor system. The Paciotti report must now be reviewed by the European Parliament before it can be formally adopted and implemented. The remaining procedural steps are expected to be completed in July. The so-called safe harbor agreement will make US businesses responsible for safeguarding the privacy of any personal information they may collect about European consumers.



Electronic Commerce: Commission proposal on new VAT system

On 7 June, the Commission presented a draft directive on taxation of online services. It aims at modernising the legislation concerning VAT on services, which dates back to the 1960s, to take into account the emergence of new commercial practices on the internet network. The proposal mainly concerns the supply over electronic networks (i.e. digital delivery) of software and computer services generally, plus information and cultural, artistic, sporting, scientific, educational, entertainment or similar services.

All the services provided in the European Union would therefore be subject to European VAT while the same services provided to other destinations would not. This rule has already been enforced for material goods bought through electronic networks and delivered by postal services. The legislation currently in force does in fact provide for EU electronic services to be taxed, even if delivered within the European Union. The new directive should put an end to this anomaly. In the case of services to individuals, the service provider would bear the cost, at the rate in force in the state where it is registered.

The implementation of the directive is planned towards 2003. To be adopted, the draft should receive the unanimity of the member states after the opinion of the European Parliament and the Economic and Social Committee. The full text of the Commission's proposal is available at:
http://europa.eu.int/comm/taxation_customs/proposals/taxation/com349_2000/com2000_349en.pdf



Telecommunications: competition and phone auctions at issue

On 13 June, the European Parliament adopted the resolution drafted by MEP van Velzen on the Commission Communication on "Electronic communications infrastructure and associated services". The Parliament welcomed the communication, but considered that further consideration of a number of themes is required, including general authorisation and auctions.

It emphasised that in some member states, no auctions of UMTS frequencies are held, as a result of which some ICT companies obtain UMTS frequencies at far lower prices than their competitors. This does not create a level playing field. The influence of governments on national ICT companies is regulated in very different ways and this has constituted an obstacle to mergers between European

ICT companies. Parliament also asked for guarantees, with respect to pluralism, diversity and quality regarding the content of digital services, the protection of consumers and minors, public information, advertising and the sale of regulated products and intellectual property rights. The auction of frequencies could increase the prices charged to consumers, which would be contrary to the Lisbon decisions concerning an information society accessible to all. The new framework must maintain the possibility for member states to establish schemes to compensate the universal service provider, if provision is an unfair burden on the operator.

MEP van Velzen proposed that the new legislation be reviewed by 2005. He also believes that funds raised from auctions should be used by national governments to ensure the provision of a universal service as well as to develop the information society and e-commerce. The liberalisation process was due to come into force on 1 January 1998.



eEurope 2002: bringing Europe into the information age

On 19 June, the eEurope Action Plan was approved at the Feira Council. The Council endorsed the comprehensive eEurope 2002 Action Plan and requested the institutions, member states and all other actors to ensure its full and timely implementation by 2002. Three main operational mechanisms will be used to achieve the targets:

- accelerating the introduction of the necessary **legislation**;
- mobilising and redirecting **available funds**, such as research and structural funds and the resources of the European Investment Bank;
- **benchmarking** and an open method of co-ordination to enable member states to compare their progress against each other and the best world performance.

An end to expensive internet access costs, an increase in the security of the internet, access to government services over the internet and internet for schools are the key priorities of this initiative. As a short-term priority, the necessary steps should be taken to bring down the cost of accessing the Internet through the **unbundling of the local loop**.

A report should be presented by the Commission to the European Council in Nice, and on a regular basis thereafter, on progress in achieving the objectives of the action plan. The eEurope 2002 action plan can be downloaded from:

http://europa.eu.int/comm/information_society/eeurope/pdf/actionplan_en.pdf



Safer use of the internet: 10 new projects are being financed

Following the call for proposals launched in 1999, the European Commission is currently financing ten projects under its action plan for promoting safer use of the internet. The four-year plan has a budget of Euro 25 million to deal with the problem of illegal and harmful content on the global network. The ten projects cover the three action lines of the action plan:

- European network of hotlines to which the public can report illegal content on the internet;
- rating and filtering, used as control mechanisms by parents;

- actions to raise awareness of the potential of the internet and its drawbacks to boost the confidence of parents, children and teachers.

Another call for proposals is underway with a closing date of 7 July. The Commission has announced that a further call for proposals will be launched at the end of 2000 on 'close to market' solutions for third-party rating.

The Commission has also presented two reports concerning the two main types of technology currently available to help parents ensure that their children can use the internet safely: content filtering based on self-labelling and on third-party rating. Both reports and the projects can be downloaded from: <http://www.ispo.cec.be/iap/>



IST Programme: new EPIFOCAL project relaunches El.pub website

This site continues to feature established sections but has also been expanded to cover virtual reality, creative technology and geographic information systems. A recent addition is up-to-date information on fifth framework programme projects, which focus on interactive electronic publishing (IEP), as well as links to further information concerned with calls for proposals. More information is from: <http://www.elpub.org>



Media: reports on Media Plus programme adopted by Parliament

On 22 June, the Culture committee unanimously adopted two reports by MEP Ruth Hieronymi on Commission proposals concerning the MEDIA Training programme for professionals in the European audiovisual industry (codecision, first reading) and the MEDIA Plus programme - development, distribution and promotion of European audiovisual works (consultation procedure).

The committee considered an amount of Euro 70m (instead of 50m) as the minimum required for the training programme for professionals. The committee also pointed out that the scarce financial resources of the training programme should be focused on in-service training rather than on initial training projects, and that it was necessary to define priorities when selecting supported activities.

With regard to the development and distribution of audiovisual works, reservations about two central issues were expressed: the funding and the legal basis of the programme. On the latter point, the committee felt that Parliament should be fully involved via codecision, rather than consultation procedure. Furthermore, the committee urged the **IGC to incorporate the cultural and audiovisual industries expressly in Article 151 of the EC Treaty**, so that such matters would automatically be subject to the codecision procedure. The committee considered that Euro 480m (instead of 350m) was the minimum required. Indeed, further funding possibilities, such as co-operation with the European Investment Bank and the European Investment Fund and more intensive networking should be explored. Other points raised by the report included the need for co-ordinated market strategies to enable films to succeed in terms of European and international distribution as well as the need **to focus on projects such as the digitisation of archives and catalogues**. The committee also requested that the specific needs of the audiovisual sector in countries with lower audiovisual capacity and/or restricted geographic and linguistic areas were taken into account.

Last but not least, **information for professionals about all funding possibilities should be comprehensive and easily accessible.**

MEDIA Plus is an extension of the existing MEDIA II programme and will run from 1 January 2001 to 31 December 2005. Both reports will be voted at plenary session on 3 July.



Research: the CORDIS technology marketplace

Technology Marketplace is a CORDIS space devoted to exploiting emerging technologies from EU research and development. It began in 1998 as a proposal for presenting the result of R&D projects in a new format and it aims at alerting potential users to the useful technology developed by EU research projects. Go to: <http://www.cordis.lu/marketplace>



Research: new EUREKA projects approved

The Eureka (Europe-wide network for industrial R&D) high level group has approved more than thirty new research projects. The new projects mainly relate to information technologies, medicine and biotechnology, which share nearly two thirds of the Euro 65.22 allocated. Euro 13.82 of this total is attributed to the **IKF** project, which aims at developing a distributed infrastructure and services system (IKF framework) with appropriate toolkits and techniques, for knowledge discovery/fusion and presentation in different application areas. IKF is related to the Information Society Technology (IST) programme inside the fifth framework programme (1998-2002). Further information on Eureka projects is available at: <http://www3.eureka.be/Home/>



Access to documents: Ombudsman calls for easier access to Commission documents

On 24 May, the European Ombudsman, Jacob Söderman, gave the Constitutional Affairs committee the reasons behind his request for Parliament to review the rules governing the performance of the Ombudsman's duties. He would like the restrictions governing his access to EU documents and his hearings of EU officials and other agents of Community bodies as laid down in Article 3 of the regulations, to be lifted.

The rules state that Community institutions and bodies may refuse to give the Ombudsman access to files he has requested. The Ombudsman has experienced problems in this regard with the Commission, which is why he is making this proposal. At the instigation of the rapporteur, MEP Teresa Almeida Garret, the Constitutional Affairs committee felt it would like to discuss the matter with the Ombudsman before taking a decision.

The restrictions in question prevent the Ombudsman from carrying out his duties properly, jeopardise public confidence in his work and are incompatible with the logic of a Community based on the rule of law. Moreover, as far as confidential documents are concerned, the Ombudsman is subject to the same restrictions as all the other Community institutions or bodies. Although MEPs were inclined to support the Ombudsman's request, MEP Almeida contended that the Commission's case should also be heard before the committee took a decision.



Access to documents: public register of Council documents

A register containing references to Council documents as from 1 January 1999 is available from the Council website (<http://register.consilium.eu.int/utfregister/framevs/introfsEN.htm>). Following the Decision of the Council of 6 December 1999 on the improvement of information on the Council's legislative activities and the public register of Council documents, references to classified documents have also been included. The register indicates which documents have already been released to the public. In these cases, they can be obtained directly from the database or through the Public Information service of the Council. This applies to all such documents from 1 January 2000 onwards.



Charter of Fundamental Rights - state of progress after Feira summit

A draft charter containing 50 articles - of which 30 address civil and political issues; 25 social rights and 5 the charter's scope - was handed to Union governments for consideration at the Feira summit on 2 June. Commissioner Vitorino welcomed the results achieved by the Convention, notably regarding the so-called 'collective' rights; the right for the respect of the integrity of the human person and the protection of personal data in the framework of the development of new information technologies.

Members of the convention drafting the 'bill of rights' for Union citizens, are expected to present a draft document in advance of the European Council in October. Paris is expected to use its EU presidency to push for much stronger social rights to be included in the text.

On 21 June, during their hearing in Brussels before the Convention, the EU accession candidate countries showed complete unanimity in welcoming the Charter, but also near unanimity against its inclusion in the Treaty to avoid the delay of the IGC and thus, accession to the European Union. The members of the Convention would be ready to organise a new meeting with the candidate countries at the end of September.



Education: Council ministers review challenges facing education

On 8 June, EU Education ministers met to focus on:

- the future **challenges and objectives of education systems in the learning society** - a follow up to the Lisbon summit. Ministers welcomed the Lisbon Council's recognition of the role of education and training in seeking solutions for employment and social cohesion. A report incorporating new areas such as lifelong learning and new information technologies should be submitted to the extraordinary European Council in Stockholm in 2001;
- the **eLearning initiative** - education of tomorrow. Presented by Commissioner Reding and welcomed by ministers, it aims at implementing the eEurope initiative in the fields of education and training by helping schools and other educational establishments to enter the digital age;
- the European report on **quality of school education** (up to university level): 16 quality indicators. A committee of experts from 37 European and non-European countries identified 16 key indicators of performance, covering areas such as foreign languages, school failure rate, education and training of teachers. It was also submitted to the Conference of European Education Ministers on 19 June in Bucharest and is available for downloading from: <http://europa.eu.int/comm/education/indic/rapinen.pdf> ;
- **European co-operation in quality evaluation in school education**. Pending the opinion of the European Parliament scheduled for early July, the Presidency submitted a progress update, in January 2000 and is now following the codecision procedure;
- **Mobility of students, persons undergoing training, young volunteers, teachers and trainers**. Pending the opinion of the European Parliament, expected next September, the Presidency submitted a progress report on 24 January 2000;
- Ministers adopted a decision establishing the **European Year of Languages 2001**. The Council approved all the amendments passed by the European Parliament at first reading. This will enable the Commission to launch preparatory measures in time for the European Year of Languages to get under way on 1 February 2001.



Education: Education ministers conference on European education area

The European conference of Education Ministers, held on 19 and 20 June in Bucharest, was devoted to the relationship between education policies, social cohesion and teaching quality. Commissioner Reding presented the European report to ministers on the quality of teaching in schools and confirmed that the new phase of the TEMPUS programme, which contributes to the reform of higher education systems in European non-EU countries for the period 2000-2006, will be open not only to the TACIS countries but also to South East European countries, mainly Albania, Bosnia-Herzegovina, the former Yugoslav Republic of Macedonia and Croatia. The Commission will present a memorandum on education and lifelong learning in November 2000.



Enlargement: Negotiations open with first six applicants

On 26 May, the European Union and the six 'Luxembourg group' applicant states (Poland, Hungary, Czech Republic, Estonia, Slovenia and Cyprus) opened accession negotiations on three new chapters: budget, free movement of persons and justice and home affairs.

Concerning free movement of persons, the European Union said that the question of free movement

of workers is a 'sensitive' issue for certain EU member states but did not state whether it plans to request transitional periods after enlargement.

On 14 June, the Portuguese presidency achieved what it set out to do as regards enlargement, namely, open all chapters with the six applicant countries of the Luxembourg group, move forward on a large number of other chapters with those countries, and open and close the first chapters with the six applicant countries of the 'Helsinki group' (Romania, Bulgaria, Lithuania, Latvia, Slovakia and Malta), with whom negotiations began last February. More information on enlargement can be found at: <http://europa.eu.int/comm/enlargement/index.htm>



EU-ACP: a new partnership agreement to replace the Lomé Convention

On 23 June, the European Union and ACP (Africa, the Caribbean and the Pacific) signed a new partnership agreement for the next twenty years to replace the Lomé Convention. The agreement was finalised last February in Brussels and will be signed by 92 countries: 71 ACP states forming part of the Lomé Convention, 6 new ACP countries from the Pacific whose membership of the "Cotonou Agreement" will be formally ratified at the meeting and the 15 EU member states.

The new model of co-operation will be based on regional economic partnership agreements, due to be negotiated from 2008 onwards. With Euro 13.5 million budget for the first five years (European Development Fund), the new agreement will form an important part of the Union's external actions with the objective of eradicating poverty.



EU-Mexico: co-operation under new framework agreement

On 1 July, the EU/Mexico co-operation and liberalisation agreement will enter into force. Among the 29 areas of co-operation established by the accord, four priority sectors have been defined: institutional development, scientific and cultural co-operation, economic co-operation and combating poverty.

Some 50 projects financed by the European Union are under way in Mexico, of which around 20 will be implemented during this year. An overview of EU relations with Mexico is available at: http://europa.eu.int/comm/external_relations/mexico/intro/index.htm



EU-Switzerland: new association agreement enters into force

In a referendum on 21 May, the Swiss people voted through the seven additional sector agreements which have been negotiated since 1994 (concerning free movement of persons, air- and land

transport, agriculture, research, public procurement and the mutual recognition of conformity assessments). These were signed on 21 June 1999 and have now been ratified by the European Parliament and the Swiss Government. However, they cannot come into force until approval of the key freedom of movement agreement by the EU member states, around the year 2001. Because of the risk of a negative referendum in Switzerland, the agreements are linked by a so-called "guillotine clause", which means that all agreements can only come into force together and will come to an end if any one of them is terminated.

Currently, Switzerland has a framework agreement for scientific and technological co-operation with the EU, which entered into force in 1987. The new agreement will allow Swiss researchers to participate in all the activities of the Fifth RTD Framework Programme and to act as project co-ordinators.



Innovation 2000: EIB implements initiative to promote innovation

The European Investment Bank, following its commitment referred to in the Lisbon summit conclusions, is to make 1 Euro billion available for venture capital operations for SMEs and Euro 12 to 15 million, over the next three years, for its lending programme for priority areas, allotted in five domains: enrichment of human capital; research and development; information and communication technology networks; diffusion of innovation and development of SMEs and entrepreneurship. The European Investment Bank website is available at: <http://eib.eu.int/index.htm>



Internet: website on community actions linked to tourism

The Commission has set up an internet roadmap website containing information on various EU programmes, funds, schemes, initiatives and community actions relating to tourism. The initiative was taken in the context of its communication of 28 April 1999 on improving the employment potential of tourism, and of the conclusions of the Internal Market Council on 21 June 1999 calling for the diffusion of information through new technologies to be facilitated.

The site presents European projects according to specific fields of interest, such as training, regional co-operation, research and technological development and cultural actions to support tourism. Its homepage is: http://europa.eu.int/comm/enterprise/services/tourism/index_en.htm



Research: ministers debate on the future European research area

The Research Council met on 15 June to discuss issues such as the information and knowledge society, the future European research area and European competitiveness. The discussion focused on:

- an open debate on **information and knowledge society**. Main issues were: targets in the **eEurope initiative**, particularly on the role of information and communication technologies for the realisation of the European research area; ways in which **eEurope** and the **European research area (ERA)** initiatives could best be exploited to ensure effective networking of European researchers; and a high-speed **Trans-European network** linking research institutes, universities, libraries, etc for European research, to be in place by the Commission by end of 2001;
- plans for the **sixth framework programme** were presented by Commissioner Busquin. He believes that this framework programme "is only an instrument at the service of research. Alone it remains insufficient". He intends to present a first guideline on the sixth framework programme next October, insisting on the need for coherence by the new framework programme with the objectives of the European Research area. The Swedish Presidency will further concentrate on the preparation of the programme;
- the latest developments in terms of co-operation with third countries, notably United States and China, were discussed. The Council encouraged the Commission to continue its joint research activities with third Mediterranean countries and to support, in the framework of the **MEDA** programme, the dissemination, exploitation and transfer of scientific and technological knowledge;
- For the implementation of the **benchmarking** of research policies, the Commission proposes to create a group of high level representatives from the member states to monitor the work and guarantee the quality of the process. Commissioner Busquin suggested a list of 15 indicators concerning human resources, research efforts and impact of policies.



STOA Workplan 2000: projects adopted for this year

STOA carries out research for the Committees of the European Parliament assessing policy options in science and technology and related areas. Of the 18 projects adopted for 2000, project steering group meetings have been already held for 12 projects and 9 calls for tender sent out. As a result, despite this year's late start, all projects should be underway before the summer break. Amongst others, the following working documents are being presented to the STOA Panel in June:

- Communications, culture and access to new information resources: An assessment of cultural and technological obstacles to Europe's transformation into an information society (Culture Committee, MEP Vander Taelen);
- Security technologies for digital media (Legal Affairs Committee, MEP Harbour);

Further information on the projects can be found at:

<http://www.europarl.eu.int/dg4/stoa/en/workplan/wp00full.htm>

