



Hot News

EBLIDA newsletter on EU library & information society issues

December 2001 and January 2002

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[Cordis](#)
[EUR-Lex](#): European Union law
[Europa](#) website
[European Parliament](#) Press Service
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Audiovisual

Hearing on GATS and audiovisual services held

A debate was organised at Parliament on 15 January to discuss WTO and culture. Trade-related aspects of intellectual property regarding audiovisual and cultural services, for which authority is shared between the Community and its member states, were debated. The current mandate makes it an obligation to respect cultural diversity on audiovisual and cultural services. Whether this mandate is or not feasible and the creation of a new international instrument, specific to cultural diversity, were some of the questions Parliament asked to Trade Commissioner, Pascal Lamy.

Moreover, the Commission DG for Education and culture, in co-operation with DG Trade held on 24 January, a hearing on audiovisual services and GATS negotiations in order to present the preliminary conclusions of the consultation process launched in 1999, as well as to deepen the analysis on certain issues. Under the theme on preservation and promotion of cultural diversity, the relevance of an international instrument on cultural diversity and the development of further co-operation with third countries in the audiovisual sector were questioned.

Commission to soon unveil draft on new *Television without Frontiers* directive

The European Commission has announced that it will unveil its first draft of the new *Television without Frontiers* Directive at the Culture Council, scheduled for 23 May. A wide scale consultation process is under way. After examining the results, the Commission will see whether it would be necessary to negotiate a new directive or keep the current one. Either way, the legislative process will not begin until the end of 2002, which allows for everyone to express their views on the subject.

The Commission is now expecting clear answers from member states to help clarify whether they want regulations to be strengthened or relaxed. Although the Commission is in favour of the 'cultural diversity' definition, it does not mean that it is considering a European cultural policy, since cultural policy is and would probably remain defined at regional and national levels.



Co-operation with third countries

Commission communication to promote ICT for development published

The European Commission adopted on 23 January, a communication on the role of information and communication technologies (ICT) in the Community development policy. Six areas have been identified - trade and development, regional co-operation, social services, transport, food and institutional capabilities. @LIS, Asia IT&C and EUMedis are some of the current initiatives that the Commission envisages extending to the ACP group with EDF funds.

Cyprus, Malta and Turkey participation in Community programmes

On 11 December 2001, Parliament approved, without debate, three recommendations to conclude framework agreements allowing the Republic of Cyprus, Malta (Council Decision of 17 December 2001 concerning the conclusion of a Framework Agreement with Malta, Official Journal no 2002/L 17, p. 54-57 of 19 January 2002) and Turkey to participate in Community programmes.

To date, Cyprus has been involved in the Socrates, Leonardo da Vinci and Youth programmes. More recently, it has also become involved in programmes relating to audiovisual, scientific and SME research.

Malta has started to participate in the Socrates, Leonardo da Vinci and Youth programmes, and more recently in certain research programmes. On 18 December 2001, the Commission presented a proposal to associate Malta with the fifth framework programme for research, technological development and demonstration activities (FP5). Malta had requested to be associated with the FP5 as from 1 January 2001; the Commission negotiated an additional protocol to the Association Agreement of 1971, which was signed on 20 June 2001. The new proposal requires that the additional protocol be concluded and its definitive entry into force be notified to the Maltese authorities.

Turkey has not yet fully participated in Community programmes, but it is starting preparatory measures for participation in Socrates, Leonardo da Vinci and Youth. It has also expressed an interest in participating in a number of other programmes.

@LIS, the new EU/Latin America programme for the information society

The European Commission approved on 6 December, @LIS - 'Alliance for the Information Society', an ambitious co-operation programme with Latin America which aims at establishing dialogue on policy and regulatory frameworks in key areas of the information society, e.g. telecommunications, eCommerce and standardisation. It also aims at boosting interconnections between research networks and communities in both regions. Around twenty innovative take-up projects in Latin America will be set up in order to demonstrate the benefits of the information society applications to citizens in the four main thematic areas: eInclusion, eLearning (including education and cultural diversity), public health and local governance. A call for proposals for these projects will be published early 2002.

The @LIS programme will be endowed with some € 85m. The official launch will take place at the @LIS Take-off Conference in Spain in April 2002.

Four other successful co-operation programmes are implemented at a bi-regional level with Latin America: ALFA (higher education), AL-INVEST (business), ALURE (energy) and URB-AL (cities). Visit: http://europa.eu.int/comm/external_relations/la/news/index.htm.



Copyright and related rights

EU/USA new agreement in music copyright dispute

Following a WTO disputes procedure in 2000 (*see Hot News August/September 2000, p.7*), the EU and the US agreed on 18 December 2001, on a temporary solution to their dispute over the way in which smaller bars, shops and restaurants in the US have hitherto played music without paying royalties. The compromise reached involves the payment of 'temporary' royalties to European musicians and composers for the economic loss incurred by the free broadcasting of music in commercial establishments. The US government however, is still obliged to bring its legislation into line with its WTO obligations on the commercial exemption whereby commercial establishments such as bars, shops, restaurants, hotel lobbies, etc can play TV/radio music without payment of royalty fees to collecting societies.

The US Administration is now to seek authorisation and funding from US Congress to enable it to contribute to the financing of projects and activities for the benefit of EU music creators. Once authorisation is granted, the EU and the US will be able to finalise an arrangement to be in place

for three years. Given the risk of veto from Congress, the parties agreed on a procedure that should facilitate the rapid conclusion of a mutually acceptable solution. This does however, not prevent the Commission from retaining its right to the WTO in order to safeguard its rights. For further information visit: <http://europa.eu.int/comm/trade/bilateral/usa/usa.htm>.

EU/WIPO examine options to protect the rights of broadcasting

On 10 December 2001, the Research Council ministers adopted a Decision, which authorises the Commission to conduct negotiations on behalf of the European Community, within the WIPO Standing Committee on Copyright, and related rights, to examine the possibility of a new instrument to protect the rights of broadcasting organisations.



Culture

Culture ministers call for a new, more visible Culture 2000 programme

Culture ministers met in Bruges on 4 and 5 December to discuss the functioning and future of the Culture 2000 programme. The debate, a contribution to the evaluation of the framework programme, invited the Spanish and Danish Presidency to take these conclusions into consideration when the new culture action programme will be next defined after 2004. The framework programme has to respect the subsidiarity principle and complement the member states' cultural policy.

Concerning the type of projects, they concluded that priorities have to be better defined; trans-sectoral projects should be promoted; the promotion of mobility of artists and art works should be a priority. With regard to the management and financing of the projects, they concluded that the means are considered insufficient, even more so in view of the expansion; the procedure should be made more flexible, user-friendly and accessible for the applicants; communication about the projects and the administrative handling should be ease; the role of the cultural contact points should be reinforced.

In addition, delegations showed a common interest in strengthening international co-operation at a cultural level and in expanding this to candidate countries.

Culture 2000 (based on Article 151 of the Amsterdam Treaty) runs from 2000 to 2004. Ministers believe that the new programme should be presented before 2004 in order to start on 1 January 2005. An assessment of the first two years should be made in 2002 and either extend it until the end of 2004 or put forward a new programme. Ministers favour the latter option but asked whether the new programme should take the same form as the current one or concentrate on key areas instead.

So far, priority is given to medium/long-term activities. Thus, small member states expressed their fears that their cultural activities would no longer be eligible for the programme.

Culture 2000 outcomes for 2001 released

Almost 200 projects supporting different activities e.g. performing arts, cultural heritage, artistic and literary creation and totalling Euro 30m have been funded by the Culture 2000 programme in 2001. The programme has also contributed to the creation of cultural operators' networks and supported the European Cities of Culture selected for 2001 and 2002. This shows an increasing commitment to trans-national co-operation projects, which is reflected on the high level of response (more than 500 applications were received) and the better quality of the projects

approved. Bulgaria, the Czech Republic, Hungary, Estonia, Latvia, Lithuania, Poland, Slovakia and Romania participated in the programme for the first time in 2001.

Under **Action 1**, 163 annual cultural co-operation projects have been funded; 23 multi-annual co-operation projects under **Action2**. Due to institutional decision procedures, three projects under Action 1 and six under Action 2 are not, as yet, included in the selected projects. In addition, Porto and Rotterdam received Euro 350,00 each in 2001 and Salamanca and Bruges received Euro 125,000 each to prepare cultural events for 2002.

The list of experts and of selected projects for which a contract has already been drawn up are available at: http://europa.eu.int/comm/culture/projects_en.html.

Parliament resolution on 2005 European capital of culture adopted

On 11 December 2001, Parliament adopted the own-initiative report by MEP Gargani (A5-0428/2001) calling on the Commission and Council to support the nomination of the city of Cork as the European Capital of Culture in 2005. The resolution also noted the remarks made in the selection panel's report on the need for the city selected to take steps to enhance its European dimension in preparation for the event. It also called on the Commission to draw up a report evaluating the results of the event and, if necessary, to adjust the nominations procedure with a view to enlargement, possibly giving Parliament a greater say in the final choice of the 'European Capital of Culture'.



eCommerce

Member states fail to implement eCommerce directive

The Directive on a legal framework for eCommerce (2000/31/EC) adopted 8 June 2000 should have been transposed into national law by 17 January 2002. It is designed to ensure that information society services can be freely provided throughout the EU, in accordance with EC Treaty rules on the freedom to provide services (Article 49).

To date, only Austria, Germany, Finland, Ireland and Luxembourg have transposed the directive into their legislation before the deadline. As for the rest of member states, there are no indications on when they intend to meet their commitments in the implementation process.

Council conclusions on VAT on eCommerce

On 13 December 2001, Finance ministers managed to reach a compromise over the application of VAT to digital products (proposed Council directive amending Directive 77/388/EEC as regards the value added tax arrangements applicable to certain services supplied by electronic mean). This compromise was reflected in the Laeken conclusions and should definitively be adopted at the ECOFIN Council in February 2002. It incorporates a simplified revenue reallocation mechanism and a commitment to the introduction of an electronic solution no later than three years after implementation of the Directive.

The Council has instructed the Fiscal Questions working party to finalise in time for the February meeting, a temporary interim solution, time limited to three years. Based upon the Swedish Presidency compromise, this time would be extended for practical reasons, by the Council acting unanimously on a Commission proposal.

Council political agreement on VAT invoicing rules reached

Finance ministers reached a political agreement on the Directive to simplify and modernise VAT invoice rules at their meeting on 4 December 2001 (Value added tax VAT: conditions laid down for invoicing (amend. direct. 77/388/EEC). This Directive should be of significant benefit to undertakings operating in the internal market insofar as the latter will only have to contend with a one set of simplified invoicing rules valid throughout the EU, rather than different rules in each of the member states. It will also require member states to recognise the validity of electronic invoices and authorise cross-border electronic invoicing and their storage, thereby reducing administrative costs of undertakings and SMEs as well as developing eCommerce. The directive was published in the Official Journal no 2002/L15, p.24-28 of 17 January 2002.



Education

Council conclusions on the follow-up to education and training systems report

The Education Council adopted on 29 November 2001, the conclusions on the draft detailed work programme for the follow-up to the report on future objectives of education and training systems, adopted on 12 February 2001. It also endorsed the interim report, annexed to the conclusions, drafted with a view to the Barcelona summit. Once a set of common objectives have been laid down, a follow-up workprogramme and a timetable should be defined. The interim report therefore, includes a work programme and a calendar for the implementation of three strategic objectives and thirteen associated objectives defined in February 2001.

The final report should be adopted at the next Education Council meeting on 14 February 2002 and sent to the Barcelona European Council in March 2002. The Culture Parliamentary committee tabled its report on 22 January, and will be adopting it at next meeting on 4 February.

Council resolution on linguistic diversity adopted

Education ministers also adopted a resolution on the promotion of linguistic diversity and language learning, which aims at achieving the objectives identified in the framework of the European Year of Languages 2001. In its resolution, ministers invite the Commission to draw up proposals by early 2003 for actions to promote linguistic diversity and language learning while ensuring consistency with the implementation of the report on concrete future objectives of education and training systems.

Parliament follows Council resolution and adopts a resolution on regional languages

Parliament also adopted on 13 December 2001, a joint resolution by different political groups on linguistic diversity. The resolution calls on the Commission to take measures to promote linguistic diversity and language learning. In the context of enlargement, there is a call for the accession countries to respect regional or minority languages.

With regard to the use of working languages in the EU institutions after enlargement, Parliament supports all European languages to be treated equally and calls on those member states that have not done so, to sign and ratify the European Charter on regional and minority languages. Commissioner for Development and humanitarian aid, Poul Nielson, while agreeing on the need to stimulate the use of minority languages, felt that insistence on the use of such languages in the European institutions would not be efficient for practical reasons e.g. translation costs (around sixty languages are used by Europeans).

New Communication on lifelong learning soon to be discussed

On 29 November 2001, Education ministers heard a presentation by Commissioner Reding on the Commission Communication on 'Making a European Area of Lifelong Learning a Reality', published on 21 November 2001. The communication, result of a wide-ranging consultation process which started with the Commission memorandum in October 2000, will be re-examined in February 2002 by Council while it is awaiting consultation of Parliament.

Parliament report on first phase of Leonardo da Vinci adopted

The Parliamentary committee on culture adopted on 4 December 2001, the own-initiative report by MEP Stauner (A5-0449/2001) on the Commission's report on the first phase of the Leonardo da Vinci programme (1995-1999). The report welcomes the significant contribution made to the overall development of vocational training policy. However, the committee noted that the programme had failed to become firmly established in the business world and urged the Commission to take suitable measures to encourage firms to become involved.

The report suggests that many of the problems identified in the first phase originated in the Council decision itself. Despite improvements, a number of major structural weaknesses remained, particularly as regards selection procedures and strategic management. The Commission was urged to tighten up procedures and cut down on red tape. It also recommends that interim reports scheduled for 2002 and 2004 should be used as an opportunity to adjust the funding for the programme if necessary.

A further criticism was that the report contained no data on gender mainstreaming or the promotion of equal opportunities and no mention of any special measures to promote access for women returning to work after a longer period of time, who could benefit from vocational training programmes. All future reports should include gender-specific data.

[The report](#) is now awaiting vote in committee, scheduled for 19 March, before vote in plenary in April.

Parliament report on the implementation of Socrates tabled

The Parliamentary committee on culture discussed on 8 January, the report by MEP Pack (A5-0021/2002) on the implementation of the Socrates programme during the period 1995-1999. The rapporteur highlighted the success of the programme and the satisfaction of member states with the way they had rapid access to the Commission's central management process.

[The report](#), which was tabled on 22 January, should be adopted by the committee on 27 February.

Commission intends to enlarge the TEMPUS programme

The Commission Communication of 18 July 2001 aims at strengthening co-operation with third countries in the field of higher education. Co-operation will focus on multilateral networks and partnerships involving countries that have achieved a level of development in higher education comparable to that of European institutions. The Commission has therefore, taken the initiative to enlarge the Tempus programme to non-European Mediterranean countries. To recall, the [Tempus programme](#) constitutes the framework for co-operation in higher education with non-associated countries of central and Eastern Europe and new independent states from the former Soviet Union and Mongolia.

EU Information Policy

Parliament, Council and Commission regulation on access to documents entered into force

Education ministers adopted on 29 November 2001, the Decision adding to its Rules of Procedure the specific provisions for the implementation of the Regulation regarding public access to Parliament, Council and Commission documents (*Official Journal L 145, p. 43-48 of 31 May 2001*) from 3 December 2001, date in which the regulation entered into force. The Decision was published in the Official Journal no 2001/L 313, p. 40-43 of 30 November 2001. Moreover, the Parliament Bureau Decision on public access to European Parliament documents (*see Hot News November 2001, p. 6*) was published in the Official Journal no 2001/C 374/01, p. 1-6 of 29 December 2001. This Decision shall apply the provisions of Regulation mentioned above and of the European Parliament's Rules of Procedure.

The Commission Decision of 29 November 2001, amending its internal Rules of Procedure, to implement the above regulation, was published in the Official Journal no 2001/L 317, p. 155 of 3 December 2001. Even though the Commission has not yet implemented the regulation, it believes that the delay would not have any impact as far as citizens are concerned, because it has been applying the regulation since 3 December and its services had already started to process requests based on the new rules. The main remaining task is the amendment of the 1983 regulation on opening the archives to the public, for which a proposal should soon be unveiled.

Commission debate on simpler regulatory process launched

The European Commission adopted on 5 December 2001, a Communication on simplifying and improving the regulatory environment. Based on the White Paper on European governance and Council/Parliament opinion on the communication, the Commission will publish in June 2002, a detailed action plan to simplify and improve the regulatory environment.

Four priority areas have been identified:

- simplifying the Community acquis to cut by at least 25% the volume of existing texts by 2005. In parallel, the Commission adopted on 11 December 2001, a Decision to withdraw a number of proposals from before 1999; under the responsibility of DG Enlargement, a draft decision on the participation of the Slovak Republic in Community programmes in the field of culture (1998) has been withdrawn. In addition, a DG Employment draft decision on the action programme in the fight against social exclusion (1993) as outdated has also been withdrawn;
- improving the quality of legislation by making a better distinction between regulations and directives and a tighter definition of co-regulation;
- new culture within the institutions - the Commission intends to create an internal legislative network to promote good practice. The network would also determine initiatives to consider whether the texts meet subsidiarity and proportionality rules;
- better transposition.

Council views on the EU information and communication policies

On 10 December 2001, General affairs ministers agreed to participate, at the appropriate level, in the new framework for co-operation in information and communication related matters (COM (2001) 0354fin of 29 June 2001) between institutions. This represents a further stage in the process of bringing the Union closer to its citizens. Moreover, the Commission intends to submit a new communication on the content of information and communication policy. Its priorities will be decided upon by the Council at the appropriate time. In a desire to improve services, the Council believes that audiovisual means and the Internet should receive further consideration. Other areas of activity such as publications, libraries, information visits, public events and media monitoring should also be the subject of synergies between the institutions.

Furthermore, the Council asked the Commission to submit proposals during the first half of

2002, in conjunction with interested member states, to provide information in audiovisual format intended primarily for third countries. In addition, member states were invited to participate in the new co-operation framework, in accordance with their own choices and on the basis of guidelines to be laid down in the appropriate Council bodies.



EU Research and Development

Commission Communication science and society published

The European Commission published on 4 December 2001, a [Communication](#) on an action plan for science and society. Presented at the request of the Research Council of 26 June 2001, it is part of the process of creating a real European Research Area and a follow-up to the Commission staff working paper 'Science, society and the citizen in Europe', which in November 2000 set the basis for the debate on the relationship of science and technology with society and Europe's citizens. The debates initiated in the context of the action plan 'eLearning - Designing tomorrow's education' will also be taken into account with a view to enhancing the contribution of ICT systems to science education and more generally, to creating the foundations for active citizenship, so that it is society itself that governs which scientific choices are made and controls their impact.

The Communication is centred on three axes: promotion of scientific education and culture in Europe; development of scientific policies closer to the citizens and a responsible place for science in all policies. It includes 38 actions that will be undertaken as of 2002. An example would be the development of an information and documentation observatory under action 29, to analyse the development of ethical issues in science at national and international level.

Council common position on FP6 EC framework formally adopted

On 28 January, the General affairs ministers, on the basis of the political agreement reached by the Research Council on 10 December 2001, adopted a common position on the draft EC research framework (FP6), covering the period 2002-2006. Council took up the text of the Commission amended proposal of 22 November 2001.

The common position relates specifically to the draft decision concerning the FP6 for research, technological development and demonstration activities, contributing to the creation of the European Research Area (ERA) and to innovation (2002-2006). The budget allocated to the EC programme amounts to Euro 16,270m; a further € 1,230m is foreseen for EURATOM. It will be presented to Parliament at its plenary session starting on 4 February, for the second reading under the co decision procedure. The Spanish Presidency wants to negotiate an agreement with Parliament in second reading to avoid the conciliation procedure.



Information Society

eEurope standards available free of charge

The European Committee for Standardisation (CEN) has decided to publish electronic standards

online free of charge from January 2002. This decision is part of the eEurope Standards action plan, which aims at helping entrepreneurs by ensuring that new technology standards are sufficiently well defined to make information and communication technology (ICT) systems are interoperable.

The [eEurope Standards action plan](#) also fosters co-operation between the public and private sector to develop practical solutions to support eEurope. It is sponsored by the Commission and spearheaded by European standards organisations CEN, CENELEC and ETSI. eEurope standards are defined in workshops whose agreements will be made available for downloading, free of charge, from the [CEN website](#).



Internet

Commission new proposal on safer use of the Internet soon to be published

On 7 December 2001, Telecommunications ministers were briefed on the action plan on promoting safer use of the Internet. The action plan has been in force for four years and is due to expire on 31 December 2002. However, the European Commission intends to make a proposal in the second half of 2002 to extend it for a further two years.



Internal Market

Implementation of Directive 95/46 on the protection of data under review

The European Commission will present an overall evaluation of the implementation of the Directive on the protection of individuals with regard to the processing of personal data and on the free movement of such data in late 2002. The Swedish Delegation had drawn last November the Council's attention to the difficulties encountered in Sweden in implementing the directive.

Council Regulation on dual-use goods and technologies published

Agriculture ministers adopted on 20 November 2001, a Regulation amending and updating Regulation (EC) 1334/2000 setting up a Community regime for the control of exports of dual-use items and technology. The regulation is designed to take account of changes agreed in international non-proliferation regimes and export control arrangements since adoption of Council Regulation (EC) no 1334/2000. The new regulation was published in the Official Journal no 2001/L 338, p.1-213 of 20 December 2001.

Commission report on patent protection vs. publication published

The European Commission published on 14 January, a report on the legal protection of biotechnological inventions. The report is an assessment of the implications for basic genetic engineering research of failure to publish, or late publication of, papers on subjects which could be patentable as required under Article 16(b) of Directive 98/44/EC.

Research institutes, universities and small biotech companies may wish to file patent

applications but also disclose their research results as soon as possible. The conflict between these Protection vs. Publication strategies may lead to the delay in the publication and dissemination of scientific knowledge. On the other hand, the patent system ensures the publication of results that might otherwise have been kept secret.

According to the Commission, the key to resolve this conflict seems to reside in introducing a 'grace period', which would protect an investor from the risks inherent in publishing details of the invention before a patent requested has been lodged. Efforts to define and harmonise the 'grace period' concept should therefore be considered, as it will only work at a global level if it provides legal certainty.

A [survey](#) has been performed among public and private researchers and institutions in industry and public research, as well as those involved in intellectual property rights issues e.g. patent agents to investigate the issue of publication delay. The public research sector strongly favours the introduction of a 'grace period', contrary to large industries that strongly oppose it. The possibility of filing a provisional patent application also ranks highly both within industry and academia, while it is of low priority for patent agents. Another important issue for academic researchers is the support for patent filing. The report is awaiting Parliament consultation.

Council conclusions on services of general interest adopted

Internal market ministers presented its conclusions on services of general interest on 26 November 2001 and then forwarded to the Laeken summit in December 2001. In its conclusions, the Council invites the Commission to draw up a proposal for a regulation exempting certain aids in this area from the obligation of prior notification, taking into account sectoral specifications. The Commission on its part will submit a communication on evaluation methodology. Evaluation should cover market structure and performance, including citizens' and consumers' opinions on the performance of services of general interest and the impact on liberalisation on them.

Ministers fail to reach a political agreement on the Community patent

On 20 December 2001, the Belgian Presidency held a debate to bring the Community patent issue out of the deadlock. The debate aimed at finding acceptable solutions (unanimity is required) to the three controversial issues - the linguistic regime, the role of national offices and the jurisdictional system. In its conclusions, the Laeken summit (15 December 2001) called on ministers to reach an agreement on these issues on the basis of a compromise text by the Belgian Presidency. Progress however, could not be made, therefore two texts, a second draft by the Belgian Presidency and a joint text from Germany and France, were discussed.

The Belgian proposal provides for: an open linguistic regime which would allow requests to be made in national languages; requests could be addressed to the national offices or to the European Patent Office (EPO) but they would all be registered at EPO; the jurisdictional system would be centralised allowing participation of national jurisdictions. Moreover, the patent will be issued in the language of the EPO chosen by the applicant, who could also request that the vindication – description of what protects the patent, be made available in the applicant's own language. This would make one/two translations of the vindication disappear, which would require changes to the Convention on the European patent and hence, ratification that Germany, France and even Portugal could not accept.

On the other hand, the Franco-German text urges for an integrated legal system. It argues that the procedure should only be a responsibility of the EPO and thus, guarantee the existence of the linguistic regime of the Munich office. The text recognises however, that SMEs and research bodies that do not have the linguistic competences for drafting their requests in one of the three EPO languages (English, German and French) should be able to use their national language.

The proposal is before Parliament for examination and opinion. The report by the Parliamentary committee on Legal affairs, committee responsible, is to be voted on 18 February 2002. For further information visit: http://europa.eu.int/comm/internal_market/en/indprop/index.htm.



Social Policy

Programme for combating social exclusion definitively adopted

Please note that the article, which appeared in Hot News November 2001, p. 9-10, was part of the previous issue. It did refer to the same programme as the one referred to in Hot News November 2001, p. 10.

On 21 November 2001, at the end of the co decision procedure, the Budget Council formally approved the agreement reached with Parliament within the Conciliation committee at the meeting on 18 September 2001, concerning the Decision which establishes a five-year programme (2002-2006) to combat social exclusion. Parliament had approved the joint text at its plenary on 15 November 2001. The act was therefore adopted definitively and was published in the Official Journal no 2002/L 10, p. 2-7 of 12 January 2002.

Parliament calls for an action plan to promote worker mobility

Parliament adopted on 13 December 2001, the report by MEP Nobilia on the new 2002 action plan for employment (new European labour markets before 2005). It asks the Commission to forward to Parliament the action plan (to be submitted to the Spring 2002 European Council) so that it can deliver an opinion before the Council. Moreover, the Commission is called upon to submit a proposal, in conjunction with the Sixth Framework Programme on Research to formulate a specific strategy on mobility inside the European Research Area.

Parliament also calls on the Commission to suggest to the candidate countries that they participate in the project in question, possibly by incorporating it in the action plan for eEurope 2002.



Telecommunications

Commission takes action against some member states for not unbundling the local loop

The Commission decided in December 2001 to open infringement proceedings against Greece, Germany and Portugal, following their failure to implement the regulation on unbundled access.

The German situation relates to the monopolistic position of the present incumbent, who already had 1.2m customers for its high-speed Internet access service, and the fact that neither shared nor wholesale access to the incumbent's DSL service were offered (although a significant number of local loops have been fully unbundled, the vast majority are used for voice telephony rather than for the provision of high-speed access). In the case of Portugal, offer is available but incomplete due to lack of tariffs. No offer for shared access has yet been published in Greece and is thus, a failure in offering the shared access service to which the market is entitled.

Council Resolution on network and information security adopted

Network and information security is considered a priority mainly because of the need to offer adequate data protection, ensuring a functioning economy, national security and the wish to promote eCommerce in the EU.

Telecom ministers formally endorsed on 28 December (first adopted on 7 of December 2001), a resolution on specific actions in the area of network and information security. In its resolution, Council asks to member states, amongst others, to take significant steps by the end of 2002 towards effective and interoperable security solutions based on recognised standards where possible – which could include open source software, in their eGovernment and eProcurement activities, and towards the introduction of signatures to allow those public services that require strong authentication also to be offered online. In addition, Council calls upon suppliers and service providers to strengthen security as an integral part of their products and services and to participate more actively in international standardisation activities.

The Commission, on its part, will make proposals in 2002 on a strategy for a more stable and secure operation of the Internet infrastructure and, by the end of 2002, on adequate measures to promote the ISO 15408 standard to facilitate mutual recognition of certificates.

Commission objections to Wanadoo abuse of dominant position

On 21 December 2001, the European Commission sent to Wanadoo Interactive, a subsidiary of France Telecom, a statement of objections with regard to its charges to the general public for Asymmetric Digital Subscriber Line (ADSL) Internet services. According to the Commission, the services are currently being charged below cost, which could represent abuse of a dominant position (Article 82 of the Treaty). ADSL technology offers high-speed access to the Internet. This technology will soon be carrying an increasingly wide range of content and therefore, it is essential that no single operator be allowed to capture the market.

Latest developments on the telecom package

On 12 December 2001, Parliament adopted a compromise package consisting of the recent compromises proposed by the Belgian Council presidency and those reached between political groups in Parliament on four directives and a Decision on the telecom package. Framework, Authorisation and Access directives and Radio spectrum decision, by the Industry committee, and a directive on Universal service by the Legal affairs committee all fall under the co decision procedure (second reading).

The Council did not take on board in its common positions the main amendments proposed by Parliament at first reading. After the Belgian presidency managed to reach a political agreement in Council that Parliament proved willing to support, conciliation seemed unavoidable. All reports are now awaiting the Council second opinion.

Access Directive

Parliament adopted the recommendation by MEP Brunetta, which accepts a few compromise amendments to the common position. Parliament believes that, in order to ensure that the trans-national electronic communications market is effective and efficient, the Commission should monitor and publish information on charges which contribute to determining prices to end-users.

Framework Directive

Parliament approved the recommendation by MEP Paasilinna with the compromises proposed by the largest political groups and the Belgian Presidency. The compromise gives all network/service providers the right to appeal against the decision of the national regulatory authority (NRA) to an appeal body, which may be a court, that is independent of the parties involved and has the appropriate expertise available to it to enable it to carry out its functions. Pending the outcome of any such appeal, the decision of the NRA would stand, unless the appeal body decided otherwise.

Universal service Directive

The agreement provides for retaining the obligation of the universal service to avoid exclusion from the information society and the creation of a 'digital divide'.

Personal data and privacy Directive

On 28 January, General affairs ministers, on the basis of the political agreement reached by the Telecommunications Council on 6 and 7 December 2001, adopted by qualified majority, with the Luxembourg delegation voting against, a common position on the draft directive concerning the processing of personal data and the protection of privacy in the electronic communications sector, which is also part of the telecom package (see above).



Trade Policy

WTO confirms illegality of US export subsidies

On 14 January, the WTO confirmed that the Foreign Sales Corporations (FSC) Replacement Act, brought in by the US in response to condemnation of its original FSC export subsidy system, is incompatible with WTO rules. Now it is up to the US to take the necessary steps to bring its legislation into line with its international obligations.

As part of the agreement between the EU and the US on procedures to handle the dispute, reached in September 2000, the next step will be the automatic reactivation of the WTO arbitration procedure to decide on the amount of countermeasures the EU would be entitled to request authorisation to impose. The WTO panel and Appellate Body reports should be adopted at the latest, before 29 January 2002. Once adopted, the arbitrators will issue their report, by the end of March.

To recall, the EU had presented on 17 November 2000, the request for countermeasures as required by the WTO, for an amount of \$4billion, accompanied by a broad list of products. The EU gives priority to compensation rather than sanctions as a transitional solution until conformity is reached with the Extraterritorial Income Exclusion (ETI) Act, which replaced the FSC regime in November 2000.

