Copyright directive: pressure is maintained as the final vote in Parliament approaches

It has been described as the most lobbied piece of European legislation. Activity has been hectic over the last few weeks, interest intense and there has been widespread coverage in the press. Three years into the making, the draft EU copyright directive is due to be voted by the full assembly of the European Parliament in Strasbourg on 13 or 14 February 2001.

The rapporteur, MEP Boselli, presented his report to the Legal Affairs Committee in Brussels on 8 January. This report recommended four amendments, essentially maintaining the spirit of the Common Position text. MEPs on the Legal Affairs Committee then had one week in which to submit their own amendments to the Committee. This provoked an unprecedented 197 amendments, the majority in favour of rightholders. These included proposals to attach compensation to the library...
'fair dealing' provisions and to narrow the library right to reproduction to archiving and conservation purposes only, as during the first reading in the European Parliament. There were also proposals to curtail the right to private copy and to make temporary fleeting copies (e.g. copies made during transmission over a network) subject to compensation. These amendments would have seriously unbalanced the delicate compromise of the Common Position text and would, in all likelihood, have delayed adoption of the Directive as it went into conciliation.

In an attempt to rescue the situation, Mr Boselli proposed nine compromise amendments. In return, some MEPs withdrew their amendments and others agreed to support Mr Boselli. The Legal Affairs Committee finally voted on 5 February. The nine compromise amendments were adopted, as well as six other amendments. Proposals damaging to libraries were rejected. This is now the text which will go forward to the plenary session in Strasbourg.

All MEPs now have three days in which to submit amendments to this text (deadline 12 noon 8 February). Although there are eligibility checks on any such amendments, it is to be expected that there will be further attacks on the library provisions. The very last lobby push will therefore be made to the whole European Parliament over the next few days.

EBLIDA will be in Strasbourg for the discussion and vote and will continue to ensure that the library views are heard loud and clear!

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**eCommerce: Brussels I Regulation is formally adopted**

Further to political agreement reached at the Justice/Home Affairs Council last November, the Council formally adopted on 22 December, the Brussels I Regulation on jurisdiction and the recognition and enforcement of judgements in civil and commercial matters (see Hot News August/September and November 2000).

Ministers adopted a statement on article 15 concerning consumer contracts. The statement pays particular attention to the application of art. 15 to electronic commerce (art. 16 offers to consumers to bring possible disputes before the courts of member states in which they reside, art. 15 covers where the contract concluded by the consumer).

This regulation makes it possible to place the 1968 Brussels Convention under the Community sphere. The expected date for its entry into force is 1 March 2002. It was published in the *Official Journal no 2001/L 012 of 16 January*, p. 1 -23.

Furthermore, the Council also adopted a programme of measures on the implementation of the principle of mutual recognition in civil and commercial matters.

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**eCommerce: Council debate on VAT applied to eCommerce**

Last November, the ECOFIN Council, responsible for adopting the Value Added Tax (VAT) for services supplied by electronic means (amending directive 77/388/EEC), asked the working party on tax questions to seek a solution to the problem of identification of third-country operators providing services in the Union to non-taxable persons, examining all the options presented so far.
The Council also asked the working party to submit an amended draft Directive for its approval by 30 June 2001, at the latest.

Education: European Council approves resolution on mobility

On 19 January, following Council agreement on 9 November 2000, the Council adopted its common position on the draft recommendation relating to mobility. The common position will be presented to the European Parliament for second reading, according to the codecision procedure.

School Education: Parliament adopts report to help boost education standards


In the report, Parliament stresses the importance of high quality education as a social cohesion tool to help people integrate in society and as a solution to unemployment.

Telecommunications: Parliament held conference on protection of privacy

MEP Cappato organised a conference on privacy, which took place on 10 January, in Brussels. The conference analysed the proposal for a directive on the processing of personal data and the protection of privacy in the electronic communications sector. The following issues were also discussed: the implementation of privacy directives in member states; the processing of traffic and location data; Spam; standardisation; the transnational context and privacy on the Internet.

The draft directive is part of the telecom package, a series of legislative proposals which aims at bringing current Community regulations on telecommunications into line with the changes in the telecommunications, media and information technology sectors. The following changes to the present system for the protection of privacy are proposed:

- neutrality - it will apply to the transfer of information by any electronic communications system, regardless of the technology used;
- localisation of data - technology used to localise users will have to be submitted to their consent;
- public directories - consumers have the right to determine whether their personal data can
appear on directories and to what extent;

- unsolicited email from direct marketing (Spam) - the Commission proposes an 'opt-in' solution (consumers' choice to receive them and not the opposite). However, the American Chamber of Commerce feels that such solution would disadvantage European companies in the global trade framework. For instance, the present provisions, e.g. directives on distance contracts and eCommerce, already resolve this problem and establish an opt-out as a legal basis.

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**Telecommunications: Parliament hearing on the framework directive**

On 22 December, the Council asked the Commission to submit a draft of the guidelines referred to in article 14 of the proposal as to facilitate agreement on article 13 (articles 13 and 14 organise relations between the National Regulatory Authorities (NRAs)). The Commission should have already reported on how rules on fair competition should be applied, and on what collective dominance actually means.

Parliament is currently considering a different measure of significant market power (SMP) based on WTO rules. A hearing on the concept of significant market power was held on 23 January, in Brussels. MEP Paasilinna, rapporteur on the issue for the industry parliamentary committee, argues that this concept is defined in the vigent legislative framework as a given market share on specified markets. The new framework introduces more flexibility in the definition of SMP and gives more powers to this end to the NRAs.

The industry parliamentary committee decided to ask for the contribution of independent experts on the issue before adoption of its report on the framework directive, scheduled in February. Meanwhile, the European Telecommunications Network Operators (ETNO) have proposed to amend article 6 of the draft so as to enable NRAs to ignore the Community executive opinion on compatibility between measures proposed at national level and Community law.

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**Culture 2000: call for proposals for 2001 now published**

The European Commission published on 24 January (see Update, OJ no 2001/C 21/08) a call for applications under the Culture 2000 programme.

Moreover, the Commission has presented a satisfactory report of the first year of the Community Culture 2000 programme. 219 cultural co-operation projects received funding for a total amount of Euro 32m. The list of the projects for which a contract has already been drawn up is available from Christophe Forax, Tel.: +32 2 295 69 64 or the culture website at: http://europa.eu.int/comm/culture/press-rel.html

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**eContent: programme on digital content adopted**

The eContent programme was adopted on 22 December 2000 by the European Council for a period covering the years 2001 to 2004, with an overall budget of Euro 100m, instead of the amount of Euro 150m initially suggested by the Commission. This decision has been published in the Official Journal on the 18 January 2001.

The eContent programme, developed on the basis of experience gathered under the INFO 2000 and MLIS programmes, aims at promoting linguistic diversity in the information society as well as encouraging the development and use of European digital content. The programme proposes action in three specific areas: public sector information, linguistic and cultural customisation, and the support of market enablers.

The Council final act is expected in May 2001. Further information on the eContent programme is available at:

[http://www.cordis.lu/econtent/home.html](http://www.cordis.lu/econtent/home.html)

**Education: action Jean Monnet 2001 published on website**

The Jean Monnet project contributes by co-financing universities for the establishment of Jean Monnet Chairs, permanent courses, and modules in European law, European economy, political studies of European construction, and the history of European integration. It also supports the creation of Jean Monnet Centres of Excellence.

The 2001 Jean Monnet project is addressed to:

- candidate countries to join the European Union;
- universities from the rest of the world (pilot projects);
- member states of the EU through the concession of the Jean Monnet Chairs ad label (without subsidy).

Three different vademecums display the conditions for each target audience. Further information on the Jean Monnet Project, Vademecum 2001 and Application Forms is available from:


**Education: European Year of Languages launches its 43 first projects**

On 9 January, the European Commission selected a first bunch of 43 projects that will benefit from a Community subsidy of about Euro 1.7m. The projects selected cover minority and sign languages as well as the 11 official languages of the EU plus Irish, Luxembourgish, Icelandic and Norwegian. The list of the projects is available from the Commission spokesman; Tel.: +32 2 295 69 64; Fax:+32 2 296 30 00. Further information on the programme is available at:

There will be a second selection round to fund projects due to start after 1 June 2001. The Commission will be co-financing projects at local, regional and national levels. In addition, several European initiatives are being organised, including a Europe-wide information campaign; the establishment of a multilingual and interactive website; Eurobarometer surveys on the Europeans language skills; competitions; a European day of languages (26 September 2001) and a European adult language-learners’ week (5-11 May 2001). The Swedish Presidency is organising an event to launch the European Year of Languages, from 18 to 20 February, in Lund.

A joint EU/Council of Europe website is available at: www.eurolang2001.org

Leonardo da Vinci programme: Commission report now published


The report highlights the enhancement of mobility and employability of participants in the projects as the programme’s particular strengths. However, it also emphasises the problems experienced in the implementation of the first phase, which relate not only to the unsatisfactory performance of the contracted technical assistance office, but also to complexities within management at the central level, and to the lack of complementarity with other training-related programmes.

The Leonardo da Vinci programme stands to become a key instrument in the drive to implement lifelong learning strategies which offer synergies between the European policies for education, training and employment.

MEDA programme: three projects approved for funding democracy

On 9 January, the European Commission announced the funding of three projects aimed at improving the protection of human rights in the Mediterranean region. The projects will have a duration of 36 months, aiming to promote the culture and training of human rights and equal opportunities for men and women. The three projects are for:

- Algeria, Egypt, Jordan, Lebanon, Morocco and Tunisia to support the activities of NGOs in the Arab world, main target groups being the media, judges, lawyers, and teachers and those responsible for drawing up school programmes;
- Algeria, Morocco and Tunisia to strengthen the rights of citizenship of women and equal opportunities in the Maghreb;
- the Palestinian police force training into the respect of human rights.

Further information on the Meda programme can be found at: http://europa.eu.int/comm/external_relations/med_mideast/euro_med_partnership/meda.htm
Media Plus: audiovisual works programme finally adopted

The new Media Plus programme has been adopted, for a period covering the years 2001 to 2005, with an overall budget of Euro 400m. The Media programme aims at strengthening the competitiveness of the European audiovisual industry with a series support measures dealing with training of professionals, development of production projects, distribution and promotion of cinematographic works and audiovisual programmes.

Both Council Decision 2000/821/EC of 20 December 2000 on the implementation of a MEDIA Plus - Development, Distribution and Promotion programme (Euro 350m) and Decision 163/2001/EC of 19 January 2001 on the implementation of a MEDIA-Training programme (Euro 50m) have been published in the Official Journal.

The first call for proposals for the new MEDIA programme (2001-2005) will normally be available around February or March 2001. The structure of the Media Plus programme and other information is available from: http://europa.eu.int/comm/avpolicy/index_en.htm

Regional development: ESF guidelines for innovative measures

On 16 January, the Commission presented its communication on the implementation of innovative actions under the European Social Fund (ESF) programmes (regulation 1784/99EC, article 6). The communication looks at how these programmes have taken on board the main priorities of the European employment strategy. Innovative actions aim at encouraging new approaches within the framework of the ESF programme and identifying examples of good practices to be later used for their implementation. These actions will be assessed and an annual report on their implementation would be drawn up by the Commission.

The ESF Objective 1 and Objective 3 will support national/regional policies to promote the four main themes of the employment strategy: employability and social exclusion; promotion of new business start-ups and job creation in the service sector; lifelong learning, IT and SME oriented activities; and specific actions to support equal opportunities. Further information on the European Social Fund: http://europa.eu.int/comm/employment_social/esf2000/index.htm

Research: sixth framework programme under preparation

The European Parliament, in its draft report on the guidelines for EU research activities (2002-2006), approves the development of 'networks of excellence' but believes that this concept should be made clear in the proposal for the sixth framework programme. The new programme should also include scope for resolving the shortcomings detected at intermediate level. A different approach for the next framework programme should be:

- focusing on areas where EU support can provide greater European added value than national
activities;
- ensuring improved co-operation with the member states, research institutes and businesses in Europe;
- creating greater efficiency.

These principles are to be translated into a number of interesting proposals, e.g. networking; creation of European networks of excellence; major research programmes led by a consortium of businesses, universities and research centres on the basis of co-ordinated financing plans; mobility and career development of researchers; better ways of making research results known to the general public. The report will be voted at Parliament in February.

Socrates programme: programme information available on website

Application and selection procedures in Socrates vary, depending on whether the action concerned is managed centrally by the Commission or on a decentralised level by the National Agencies designated by participating countries. This information is given in detail in the Guidelines for Applicants. Guidelines and further details on the programme, call for proposals and application forms are available from: http://europa.eu.int/comm/education/socrates/download.html

Audiovisual: report on audiovisual regulation now published

On 16 January, the Commission published its third report on the application of the 'Television without Frontiers' Directive (89/552/EEC). The report aims at creating the necessary conditions for the free provision of television services within the internal market. In this context, it describes and analyses the key elements of the application of the directive between 1997 and 2000.

Twelve member states have notified national implementing measures while Italy, Luxembourg and the Netherlands have not yet transposed the directive into their national legislation. Moreover, it reviews compliance with the requirements for European content quotas. These requirements have generally been respected, although infringement procedures were initiated against Greece, Italy and Spain over the implementation of the rules on advertising and sponsoring.

Other issues reviewed on the report are the protection of minors, co-ordination between national authorities and the Commission, audiovisual legislation in candidate countries and co-operation between the EU and the Council of Europe.

In preparation for a review of the directive, the Commission is working on a number of studies and hearings, in basis of which it will prepare its communication, to be submitted to the Council and Parliament in 2002. Further information: http://europa.eu.int/comm/avpolicy/regul/twf/applica/ap-int-e.htm

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Audiovisual: new financing for audiovisual sector

On 19 December, the European Commission, the European Investment Bank (EIB) and the European Investment Fund (EIF) proposed, as an addition to the Media Plus programme (2001-2005), a financial package which aims to improve the industry's competitiveness and promote the development of European audiovisual content. Initially lasting for three years, this strategy, named "i2i" should facilitate member states the transition to an economy and a society based on information and knowledge, as Heads of State and Governments pursuit in Lisbon, in March 2000.

Four action lines were presented:

- provision of credit lines ('global loans') to the banking sector specialised in audiovisual for funding small firms;
- medium/long term financing of large public/private television, audiovisual production or distribution groups for their creative work and infrastructure investments;
- funding of risk capital funds specialised in audiovisual media through EIF participation (subsidiary of the EIB specialised in venture capital). A first operation was signed on the same day by the EIF and the specialised fund "Venture capital for creative industries";
- joint actions to promote cultural creation and develop the TV/film industry, which must be designed to ensure complementarity between the banking resources and the Community subsidies under Media Plus. The Commission has proposed such initiatives as training in the financing of audio-visual firms and works; co-operation between European distributors; the development of on-line services and thematic digital channels; and the making of most films archives.

Competition: music industry under suspicion of fixing prices

The Commission has just begun an investigation on the vertical links that would have concluded among five major music publishing books and retailers, under suspicion of fixing prices for CDs in the European Union. These groups are EMI, Bertelsmann through its subsidiary BMG, Warner, Sony and Universal. A similar investigation into the same companies was carried out a year ago, by the American Federal Trade Commission, for the same reasons.

The Commission is in the process of gathering enough evidence of an anti-competitive agreement in order to decide whether to open a formal procedure against the groups concerned. Contact with consumer organisations has been made to gather facts and figures for the completion of the dossier.

Copyright: WTO deadline for USA copyrights legislation

The World Trade Organisation has conceded one year deadline to the United States to have its
copyright legislation comply with international law (see Hot News August/September and November 2000). This deadline gives Washington until the end of July for the amendment of the main provisions of their legislation, which WTO invalidated last summer, except for a homestyle exemption conceded to small retailers listening to music at work. Under US legislation, such exemption authorises the diffusion of music in public places with sound systems without payment of fees to performers.

Julio Lacarte-Muro, named as 'arbiter' to enact on this matter, has so far not given his position on the question of knowing whether this law should be amended or it would be enough to make some administrative changes.

Culture: Parliament report on cultural heritage adopted

On 16 January, the European Parliament adopted the report by MEP de Veyrac on the application of the Convention on the protection of the world cultural and natural heritage.

The report calls on member states to encourage third countries to complete the list of their natural and cultural heritage assets and to provide appropriate practical assistance to those countries under UNESCO. However, it rejected the proposed amendment urging member states to limit their registration of new cultural goods on the list of world heritage. Parliament also calls on the Commission and member states to study, in cooperation with UNESCO and the Council of Europe, the viability of an international legal and fiscal framework to facilitate forms of sponsorship in aid of the conservation of the cultural and natural heritage. This aspect might be introduced into discussions on the harmonisation of European taxation.

In addition, the Commission is urged to assist developing countries, under existing programmes, which face problems with the recognition, description and conservation of cultural sites. In spite of having allocated 34% of the total budget for the Culture 2000 programme to heritage, including intellectual and non-intellectual heritage, museums, photographic/audiovisual archives and the underwater heritage, Commissioner Reding highlighted that the Commission only had limited budgetary means to undertake actions in favour of heritage and that the Treaty did not offer a legal basis to undertake such initiatives.

Cybercrime: Commission communication adopted

The European Commission has just adopted a communication on cybercrime, in which it proposes to harmonise certain rules as well as a consultation process at European level. The objective is to improve the enforcement of law on electronic communications and ensure security in transactions on the Internet.

The communication, part of the eEurope action plan and the framework of fight against organised crime, proposes the examination of different possibilities to fight against racism and xenophobia. The Commission will also study legislative proposals concerning the interception of communications by legal authorities; the possibility of imposing on service providers the requirement to store, for a given period, data relating to traffic on the internet for investigations.

Furthermore, the Commission is planning the creation of a European forum on cybercrime. This
forum will bring together service providers, network operators, consumer associations and authorities entrusted with data protection in order to intensify co-operation and promote best practices. It is available at: http://europa.eu.int/ISPO/elf/

A public hearing on cybercrime will be held on 7 March. For comments on the subject, send an email to: info-jai-cybercrime-comments@cec.eu.int

**EU/Cyprus: Cyprus to participate in training, education and youth programmes**


In addition, the Council adopted, with a view to the next accession conference, a common position on culture and audiovisual policy with Lithuania.

**EU/Egypt: new association agreement finally signed**

On 26 January, the European Union and Egypt signed the new Association Agreement which will enter into force once ratified by the parties. Such agreement is part of a new Euro-Mediterranean partnership under way. It foresees the establishment of new institutional structures enabling to intensify the political dialogue and co-operation in fields such as education, culture and the fight against crime.

**ePublishing: Parliament own-initiative report adopted**

On 9 January, the Culture Parliamentary Committee adopted the own-initiative report by MEP O'Toole on electronic publishing and printing on demand. The report, which is awaiting vote at plenary, calls on the Commission to:

- propose a legislative framework for ePublishing;
- support technological developments to improve authenticity protection and the rights of rightholders;
- enable member states to choose whether to adopt a national book price system in legislative or contractual form;
• be flexible with regard to permitted methods of remunerating authors, and support emerging authors;

• to take measures to foster creative European content in ePublishing in all languages;

• to enable workers in the publishing/book retailing industries as well as authors to benefit from EU training programmes;

• to designate 2003 "European Year of Books and Literacy" in order to increase public awareness of the importance of books and electronic publishing.

Principles to be maintained are the separation of the regulatory regime for providers and infrastructure from that for the content provided, as well as the principle of neutrality between different means of delivering the same content.

On the issue of VAT rates, the committee felt that member states should consider applying special VAT arrangements to publications downloaded from the Internet. They should also ensure that VAT exemptions or reductions granted to educational/cultural institutions for the purchase of non-electronic publications were extended to include the purchase of electronic publications.

Information society: Council debate on the .eu top level domain

On 22 December, the Council instructed the Permanent Representatives Committee (COREPER) to pay particular attention to the Internet top level domain '.eu' and expedite its proceedings with the aim of submitting a draft act for adoption at the earliest opportunity.

Information society: Parliament question on European information strategy

On 10 January, the Culture Parliamentary committee drafted an oral question to the Commission on the information and communication strategy of the European Union. Parliament believes that the general public has a poor awareness of the activities and opportunities of the Union and that very little has been done so far to make information and communication policy more effective.

Last April, the Commission announced at plenary its intention to present a communication on a new information policy which has not been issued yet. The lack of reference to information and communication in the Nice Council conclusions illustrates that the Council does not seem to be aware of the negative effects resulting from the ineffectiveness of current information and communication activities.

Therefore, Parliament has asked the Commission:

• when is the communication on information policy to be announced;

• how it will ensure that new information technology developments are taken into account and that information is available not only to those involved on a professional basis but to all
citizens;

- are information experts, professionals and citizens involved in its development;

- which initiatives and mechanisms intends to take in order to monitor the effectiveness of
information actions and improve co-operation between the Commission and Parliament and
the Commission and member states on the information strategy.

MEDA II: Council adopted Regulation on financial and technical measures

In November, the Council adopted the MEDA II Regulation (amending Regulation (EC) No 1488/96
on financial and technical measures to accompany the reform of economic and social structures in
the framework of the Euro-Mediterranean partnership). The formal adoption follows political
agreement within the Council on the substance of the draft regulation revising the MEDA
Regulation except for financial reference amount - the amount of Euro 5,350 billion was approved
by COREPER on 15 November 2000.

The aim of the regulation is to pursue and intensify the co-operation launched within the Euro-
Mediterranean partnership which was established by the Barcelona Declaration in November 1995.

Internal Market: review of simpler legislation adopted

On 16 January, the European Parliament adopted the report by MEP Doorn on the Commission
communication on a review of SLIM (Simpler Legislation for the Internal Market). Launched in
1996, SLIM aims at simplifying and improving rules governing the single market in order to make
cross-border operations simpler.

Parliament has essentially rejected the Commission's approach of tabling opinions and rather
theoretical proposals for the third/fourth phases of SLIM and urges it to replace these, where
appropriate, with specific legislative proposals. In addition, it calls on the Commission to ensure
that effective consultation takes place with users at all stages in the SLIM process as well as
ensuring maximum input of practical expertise in the SLIM teams to proceed rapidly and
efficiently.

Internet: Commission communication on voice on Internet published

After a consultation process (http://europa.eu.int/comm/competition/liberalization/telecom/voice_over_internet/consultation/), the Commission has published an update to its 1998 communication, adopted on 21 December 2000, on the status of voice on Internet under Community law. The update states that voice on
Internet should continue, except in limited cases, to be treated by member states differently from voice telephony.

The communication clarifies the differences between voice over Internet protocol and voice over the Internet. The notion of voice telephony includes a series of conditions enabling to assimilate Internet telephony. The Commission estimated that voice services on Internet usually do not meet each of the conditions for the definition of voice telephony in the 1990 services directive. Internet telephony would be defined as voice telephony and therefore, be subject to standard voice telephony regulation, only if and when each of such conditions is met.

http://europa.eu.int/comm/competition/liberalization/oj/

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