

(2000/C 280 E/073)

**WRITTEN QUESTION E-2552/99****by Christopher Huhne (ELDR) to the Commission**

(4 January 2000)

*Subject:* Possible lower VAT rates on labour intensive services

Would the Commission please publish, for each Member State, a list of services for which Member States have applied to levy a reduced VAT rate under the provisions of the directive on reduced rates of VAT on labour intensive services?

**Answer given by Mr Bolkestein on behalf of the Commission**

(8 February 2000)

The Commission has published the list requested by the Honourable Member in its proposal for a Council decision authorising Member States to apply a reduced rate of VAT to certain labour-intensive services in accordance with the procedure provided for in Article 28(6) of Directive 77/388/EEC<sup>(1)</sup>.

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<sup>(1)</sup> COM(99) 705 final.

(2000/C 280 E/074)

**WRITTEN QUESTION E-2561/99****by Christopher Huhne (ELDR) to the Commission**

(11 January 2000)

*Subject:* Jurisdiction of deposit insurance

Would the Commission please state what deposit insurance arrangements would apply to a UK depositor who placed sterling deposits via the internet with a bank currently advertised as First-e Bank, apparently the trading name of the Banque d'Escompte in Paris?

**Answer given by Mr Bolkestein on behalf of the Commission**

(14 February 2000)

In order to give a precise answer to the question, the Commission would need to have some additional information about the facts of the case. However, on a general basis Directive 94/19/EC of the Parliament and of the Council of 30 May 1994, on deposit- guarantee schemes<sup>(1)</sup> stipulates that Member States shall ensure that there is a guarantee scheme within their territory and that the Member State's scheme also covers the depositors at branches set up by credit institutions in other Member States. The Directive is also valid, by special agreement, in the three other European economic area (EEA) states; Iceland, Liechtenstein and Norway.

If deposits were placed within e.g. a French institution, situated in France, the French deposit guarantee scheme would apply regardless of whether the deposits were transferred via Internet, the nationality of the depositor or the currency of the deposits (as long as deposits are in euros or one of the currencies of Member States). The French deposit guarantee amounts to € 60 000 per depositor. It is subject to a number of possible exemptions, e.g. as regards the type of depositor, as mentioned in the Directive.

From 1 January 2000, branches of Community credit institutions situated in other Member States (and the three EEA states) are also obliged to offer the same deposit guarantee as their parent credit institutions. The credit institution and its Community branches are thus regarded as one legal entity. If one takes the example of a French branch situated in the United Kingdom, it must thus offer a deposit guarantee of € 60 000, just as in France. This is a new provision. Previously, according to Article 4(1) of the Directive, such branches were not allowed to offer a higher guarantee than the prevailing level in the host country.

However, this clause expired at the end of 1999 and the Commission has not proposed any further prolongation in its recent report <sup>(2)</sup> to the Council and the Parliament.

The Directive is only applicable in Member States (and by special agreement in the EEA states). This means that deposits which are placed in a branch of a Community credit institution situated outside the Community (or the EEA), are not normally covered by the national deposit guarantee schemes. Instead, credit institution branches in third countries are submitted to host country rules.

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<sup>(1)</sup> OJ L 135, 31.5.1994.

<sup>(2)</sup> Report from the Commission on the application of the export prohibition clause, Article 4(1) of the Directive on deposit guarantee schemes (94/19/EC); COM(99) 722 final.

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(2000/C 280 E/075)

**WRITTEN QUESTION E-2562/99**

**by Christopher Huhne (ELDR) to the Commission**

(11 January 2000)

*Subject:* Deposit insurance

Would the Commission please tabulate the existing provisions for insurance or guarantee of deposits with banks in each Member State?

**Answer given by Mr Bolkestein on behalf of the Commission**

(17 February 2000)

The provisions for deposit guarantee schemes in Member States are tabulated in the annex to the Commission report <sup>(1)</sup> on the Directive on deposit guarantee schemes (94/19/EC). This report was adopted by the Commission on 22 December 1999 and will shortly be sent to the Council and the Parliament.

Directive 94/19/EC of the Parliament and of the Council of 30 May 1994 on deposit-guarantee schemes <sup>(2)</sup> stipulates that from 1 January 2000 the minimum level of deposit guarantee is € 20 000 within the Community. According to national laws, deposit guarantees are in the range of € 20 000 to € 25 000 in most Member States. Only three Member States have higher national guarantee levels (Denmark, France and Italy).

The Commission report offers information on deposit guarantee levels in all Member States and Iceland, Liechtenstein and Norway. In addition, the report states the scope of the guarantee, offers reference to the different national laws establishing the deposit guarantee schemes and lists the institutes issuing the guarantee.

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<sup>(1)</sup> Commission report on the application of the export-prohibition clause, Art 4(1) of the Directive on deposit guarantee schemes (94/19/EC), COM(1999) 722 final.

<sup>(2)</sup> OJ L 135, 31.5.1994.

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(2000/C 280 E/076)

**WRITTEN QUESTION E-2574/99**

**by Bill Miller (PSE) to the Commission**

(11 January 2000)

*Subject:* Commercial communications rules in Italy

I believe the Italian Government's requirements for the advertising of NRT patches (Nicotine Replacement Therapy) exceed those in other Member States. As a consequence, advertisements for NRT patches made