

(2004/C 84 E/0059)

WRITTEN QUESTION E-3121/03**by Nelly Maes (Verts/ALE) to the Council**

(22 October 2003)

Subject: Reduction of VAT on CDs and cassettes

At the recent Ecofin Council in Luxembourg 7 October 2003, Commissioner Bolkestein announced that the Commission was against any reduction of VAT on audio recording media and CDs as this might create distortions of competition. A minority of members of the Council were in favour of lower rates.

Against the background of the current discussions in Unesco concerning the creation of an international legal instrument to safeguard cultural diversity, will the Council examine whether a reduction of VAT is feasible and desirable for CDs by new artists and/or artists singing in local or regional languages and/or home-grown musicians (irrespective of whether or not they sing in their own language) and/or for certain genres of music? At the opening of the recent Unesco conference, President Ciampi said that Italy advocates the adoption of a legal instrument on cultural diversity, guaranteeing every country the protection of its own historical identity and the uniqueness of its physical and intangible cultural heritage.

Is the Council prepared to authorise some reduced VAT rates for CDs with the specific aim of safeguarding cultural diversity?

If so, what steps will the Council take to bring this about in the near future?

If not, what measures does the Council consider have higher priority in safeguarding cultural diversity?

Reply

(8 March 2004)

The Commission proposal concerning reduced VAT rates is currently being examined by the Council.

Until those proceedings have been completed, the Council cannot reply to the Honourable Member's questions.

(2004/C 84 E/0060)

WRITTEN QUESTION E-3127/03**by Jean Lambert (Verts/ALE) to the Commission**

(23 October 2003)

Subject: Bank accounts and freedom of movement

Is the Commission aware of the tensions that arise between regulations concerning prevention of money laundering and freedom of movement of EU nationals?

It has come to my attention that EU nationals trying to set up a bank account in the UK are finding it extremely difficult, if not impossible, due to the identification documents required. They are often unable to get a UK bank account because they have no permanent address, and thus no utility bills, and unable to get a permanent address because they have no bank reference. These rules amount to a hidden barrier to the free employment of EU citizens in the UK.

Is there any action the Commission can recommend to assist those facing such difficulties?

Answer given by Mr Bolkestein on behalf of the Commission

(21 November 2003)

The Commission is aware of a number of cases where Union nationals who are not resident in the United Kingdom have experienced difficulties in opening a bank account.

Article 3(1) of the anti-money laundering Directive ⁽¹⁾ stipulates that banks should identify their customers on the basis of 'supporting evidence'.

United Kingdom banks are, therefore, obliged under the Directive to know their customer and apply proper customer due diligence procedures. Banks are increasingly punctilious about customer identification as failure to carry out proper anti-money laundering controls can have extremely serious consequences for them. There is, however, no requirement in United Kingdom law that prevents a bank from opening an account for a non-resident customer or a customer who is in the process of changing his country of residence.

United Kingdom banks follow or should follow the Guidance Notes issued by the Joint Money Laundering Steering Group. These set out the recommended procedures to be followed for various account opening situations. The fact that a person arriving to take up residence in the United Kingdom does not yet have a permanent address in the United Kingdom should not preclude the opening of a bank account. The Commission would recommend that persons encountering difficulties in opening an account should make reference to the Guidance Notes.

It must be noted, however, that freedom of contract applies in this area in the United Kingdom and a bank cannot be obliged to establish contractual relations with a customer if it does not wish to do so.

⁽¹⁾ Council Directive 91/308/EEC of 10 June 1991 on prevention of the use of the financial system for the purpose of money laundering, OJ L 166, 28.6.1991 as amended by Directive 2001/97/EC of the Parliament and of the Council of 4 December 2001, OJ L 344, 28.12.2001.

(2004/C 84 E/0061)

WRITTEN QUESTION E-3146/03

by Cristiana Muscardini (UEN) to the Commission

(23 October 2003)

Subject: Waterways and cultural tourism between Switzerland and the Adriatic

The Commission has doubtless heard of the plans for the Locarno-Milan-Pavia-Venice waterway, work to reopen which has been launched by the Lombardy Regional Council with the approval of the Piedmont Regional Council and the Swiss Confederation. The programme Interreg III A Italy-Switzerland 2000-2006, which is currently being implemented in respect of designs for the restoration of canal structures, has in fact already been endorsed. This project comprises the renovation of infrastructure and the replacement of the bridges on the Grande and Pavia canals in the Milan region. This work, which has both multifunctional and heritage objectives concerns the oldest navigable canal in Europe (the Naviglio Grande) and the last canal to be built in the Milan region (the Naviglio di Pavia). The latter was the most important work of waterways architecture to be built in Europe in the early 1900s. The total cost of the project is expected to be around EUR 40 million.

1. Could the Commission indicate how much has been allocated to this project under the Interreg IIIA programme?
2. In view of the value to tourism and culture of restoring the navigational link between Sesto Calende and Pavia by way of the canals referred to above, would the Commission not agree with the prime importance of rehabilitating this infrastructure with a view to establishing a navigable route between Locarno and Venice?
3. Does it not consider the construction of waterway infrastructure that is environmentally and landscape-friendly, to be equally as important as major road and rail infrastructure projects?