— Articles 12 (6), 13 (3), 15 (2) and the fifth indent of the first subparagraph of 18 (2) of Directive 89/646/EEC,

— Article 3 (3) of Directive 89/647/EEC.

3. In Article 1 (5) of Directive 89/646/EEC and the first indent of Article 2 (1) of Directive 89/647/EEC, the definition of competent authorities shall be replaced by the following:

'the national authorities which are empowered by law or regulation to supervise credit institutions'.

Article 11

This Directive is addressed to the Member States.

Amended proposal for a Council Directive on the adoption of standards for satellite broadcasting of television signals (1)

(91/C 332/06)

COM(91) 530 final — SYN 350

(Submitted by the Commission pursuant to Article 149 (3) of the EEC Treaty on 6 December 1991)

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 100a thereof,

Having regard to the proposal from the Commission,

In cooperation with the European Parliament,

Having regard to the opinion of the Economic and Social Committee,

Whereas Council Directive 86/529/EEC (2) made provision for review;

Whereas the Community, through Council Decisions 89/337/EEC (3) and 89/630/EEC (4), recognized the strategic importance of high definition television (HDTV) for the European consumer electronics industry and for the European television and film industries, and established the strategy framework for the introduction of European HDTV;

Whereas Directive 86/529/EEC, in particular in Article 2, established a dual regime by a limitation of the application of the Directive to only one type of satellite, and as a consequence a dual market appeared with the use of MAC standards in broadcasting satellite service (BSS) and mainly PAL and Secam in fixed satellite service (FSS); whereas this should be avoided in the future in order to prevent a split in the satellite market,

Whereas in order to reach Community goals as set out in the Council Decisions mentioned above and in order to contribute to the achievement of a single market in satellite broadcasting of television signals as provided for in Article 8 (a) of the Treaty, it is necessary to undertake steps to create a convergence of standards, using in parallel a regulatory instrument, and an agreement between major actors in the market;

Whereas it is in the best interest of European consumers to follow a path towards HDTV based on the criteria of compatibility and evolution, in order to avoid discontinuities and duplication of investments;

Whereas HD-MAC has been developed as the European transmission standard for HDTV services based on those criteria of compatibility and evolution and D2-MAC offers the best available path towards the development of HDTV with wide-screen 16 : 9 D2-MAC as the main step in that direction;

Whereas there is a need to establish common standards for satellite transmission as an enabling element for effective free market competition taking into account that standards promote competitiveness by lowering costs for producers, shaping customer preferences for products by their familiarity, and enabling the emergence of new

(1) OJ No C 194, 25. 7. 1991, p. 20.
(2) OJ No L 311, 6. 11. 1986, p. 28.
(3) OJ No L 142, 25. 5. 1989, p. 1.
(4) OJ No L 363, 13. 12. 1989, p. 30.

markets, particularly for developing technologies, where they are becoming a pre-condition for industrial production or marketing;

Whereas services for satellite television broadcasting using 4 : 3 aspect ratio format should not be forced to a compulsory stop or change so as not to jeopardize the present market or inconvenience users; however, incentives may be provided, through a parallel legal instrument, in order to support, in addition, the use of the D2-MAC standard, in particular in 16 : 9 format, *inter alia* through simultaneous transmissions ('simulcast');

Whereas it is vital to ensure that audiovisual programmes adapted to the new 16 : 9 format are available in sufficient quantity and quality and that it therefore is appropriate to provide, through a parallel legal instrument, for Community financial incentives;

Whereas in the medium term the capacity of satellite systems is limited and as a result the scope for the simulcast transmissions of programmes in different standards is also limited, it will be necessary to make a selection of programmes for such transmissions;

Whereas in the interests of the consumer it is necessary to establish a common conditional access system compatible with D2-MAC and HD-MAC, without hampering the technological development of these systems; whereas, therefore, the best solution is a system consisting of a common access unit to which one or more smart cards can be added;

Whereas cable TV networks are a relevant feature in the television infrastructure of many Member States and will be very important to the future of HDTV services;

Whereas Decision 89/337/EEC called for an action plan for the introduction of HDTV to be prepared in close coordination at Community level between the Commission, the Member States and the European industry;

Whereas it is essential that there should be complete agreement between broadcasters, satellite operators, manufacturers and cable operators about the introduction, as soon as possible, of 16 : 9 D2-MAC services in conformity with the objectives set out in Decision 89/337/EEC; whereas such agreement might be reached by means of a memorandum of understanding;

Whereas the memorandum of understanding will set out the obligations of the respective parties for the development and promotion of 16 : 9 D2-MAC services in Europe in accordance with the terms and provisions of this Directive and will constitute an integral part of the overall strategy for the introduction of HDTV;

Whereas European research efforts must stay in the forefront of all new significant developments such as a trend towards digital television broadcasting emissions and Europe has to consolidate its research efforts through collaboration and in the framework of EC research programmes;

Whereas a strategy for the introduction of high definition television has been laid down at Community level and European undertakings have made significant investments involving many jobs;

Whereas in view of the foreseeable technical progress in this sector, account should now be taken of any subsequent developments of the existing systems and provision made for an eventual review of this Directive;

Whereas it is in the general interest as well as in the interest of the major actors in the market that this Directive should be implemented at the earliest possible date,

HAS ADOPTED THIS DIRECTIVE:

Article 1

Member States shall take all measures to promote and support the introduction and development of advanced satellite broadcasting services for television programmes, using the HD-MAC standard for not completely digital high definition television transmission and the D2-MAC standard for other not completely digital transmission in the 16 : 9 aspect ratio format.

Article 2

1. For any transmission of a television service in the high definition television format that is not completely digital only the HD-MAC standard may be used.

2. For any transmission of a 625 line satellite television service receivable by viewers using domestic satellite receiving equipment, even if such transmissions are intended to be redistributed by cable networks:

— in respect of any service in the 16 : 9 aspect ratio format only the D2-MAC standard may be used. Financial support will be provided by the Community,

— in respect of any other service starting after 1 January 1995, the D2-MAC standard must be used. Financial support will be provided by the Community. These services may also be transmitted simultaneously in PAL, Secam or D-MAC,

— in respect of services in existence prior to 1 January 1995, PAL, Secam or D-MAC may continue to be used as long as the service provider wishes. From

1 January 1995, these services must also be transmitted using the D2-MAC standard. Financial support will be provided by the Community.

Article 3

Deleted

Article 4

Member States shall take all measures to ensure that as from 1 January 1994, all new television sets and all new domestic satellite receivers for sale or rent in the Community:

— in respect to all television sets with 16 : 9 format possess a D2-MAC decoder,

— in respect of all other such equipment, possess at least a standardized socket by means of which a D2-MAC decoder may be connected to the equipment permitting an open interface standard.

Article 5

Member States shall take all measures to ensure that:

— any new terrestrial redistribution system, or any existing terrestrial redistribution system having the necessary technical capability, shall be configured in such a way that HD-MAC signals can be transmitted through the network from head-end to individual homes,

— if cable operators decide the redistribution by cable of programmes received by them in the 16 : 9 aspect ratio format and the D2-MAC or HD-MAC standard, operators shall distribute these programmes also in the 16 : 9 aspect ratio format and the D2-MAC or HD-MAC standard.

Article 6

In the case of all services using the D2-MAC standard, which are encrypted and employ a conditional access system, Member States shall take all the necessary measures to ensure that only a conditional access system fully compatible with D2-MAC and standardized as such by a European standardization organization by 1 January 1993 is used.

Article 7

1. This Directive shall apply until 31 December 1999.

2. Before 1 January 1994 and every two years thereafter, the Commission shall submit to the European Parliament, to the Council and to the Economic and Social Committee a report on the application of this Directive, the evolution of the market and the use of the Community funding. If necessary, the Commission shall make proposals to adapt this Directive to these developments, in particular in order to confirm or to amend the obligations set out in Article 2 (2), third indent.

3. Before the date when this Directive expires the Commission shall submit, if necessary, proposals to the Council on a policy of standardization for HDTV, in accordance with the objective of achieving total harmonization of all television broadcasting media, whether analogue or digital, by satellite, cable or terrestrial redistribution. These proposals should take into account the results of European collaboration in research and development and the work of the relevant standardizing organizations in Europe.

Article 7a

The rules laid down in this Directive shall be accompanied by simultaneous financial measures designed to support the creation of a European market for the D2-MAC, 16 : 9 and HD-MAC standards and commercial measures based on the signing, by the parties concerned, of a memorandum of understanding and coordinating the actions of the various signatories.

Article 8

1. Member States shall bring into force the laws, regulations and administrative provisions necessary to comply with this Directive no later than three months after the date of its notification. They shall forthwith inform the Commission thereof.

When Member States adopt these provisions, these shall contain a reference to this Directive or shall be accompanied by such reference at the time of their official publication. The procedure for such reference shall be adopted by Member States.

2. Member States shall communicate to the Commission the texts of the provisions of national law which they adopt in the field governed by this Directive.

Article 9

This Directive is addressed to the Member States.