



Euro News

The UK Network of Euro Info Centres
Issue 5 : May 2006

In this issue

Questions and Answers

Grants in May 2006

Innovation on a European scale

Food safety developments

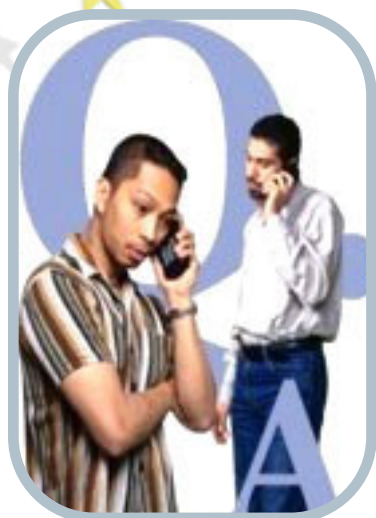
Consultations

Information roundup

Questions and Answers

Question:

One of my export markets is China and I am interested in finding out how the free trade agreement between China and Hong Kong works?



Answer:

The Closer Economic Partnership Agreement (CEPA) between China and Hong Kong first came into effect on 1 January 2004 with 379 product categories deemed of Hong Kong origin enjoying zero import tariff when exported to China from Hong Kong. With effect from 1 January 2006, all finished products of Hong Kong origin exported to China from Hong Kong became zero-rated apart from certain textile products. Hong Kong origin textile products that undergo outward processing in China will however be exempted from the import duty imposed by China under the Outward Processing Agreement (OPA). In order to qualify for this, the exporter must obtain a 'Certificate for Outward Processing in the Mainland' also referred to as an OPA Certificate.

To claim tariff preference, consignments of goods exported to China from Hong Kong must be accompanied by a Certificate of Hong Kong Origin - CEPA (CO(CEPA)) issued by the Hong Kong Trade and Industry Department or by one of five government approved certification organisations. Prior to applying for a CO(CEPA), the Hong Kong manufacturer must apply for a Factory Registration (FA) with the Trade and Industry Department to prove that the factory has sufficient capacity to produce the goods intended for export.

The zero rating of Hong Kong products exported to China has increased the competitiveness of Hong Kong origin products in China compared to products imported from other countries. CEPA enables non-Hong Kong producers of products subject to a high Chinese import duty to set up a production line in Hong

Questions and Answers

Kong and thereby avoid the high import duty by exporting them on a CO(CEPA).

Detailed information on CEPA is available at <http://www.tid.gov.hk/english/cepa/index.html>.

Grants in May 2006

There were almost 600 new amendments to the schemes on the Grantfinder database in May 2006. The list below is just a small selection of this month's new programmes. Please contact your local Euro Info Centre, if you would like more information on any mentioned programmes or if you are interested in finding out about funding for your business.



Media Plus - Development, Distribution and Promotion

A Call for Proposals has been issued with a deadline of 17 July 2006 which is an extension of last month's announcement. This has a budget of €2 million to develop pilot projects within areas such as the creation and strengthening of cross-border distribution and transmission networks and the encouragement of promotion and market access initiatives, including measures to stimulate film festivals, which have a European dimension.

Special Annual Events - The Treaty of Rome

A Call for Proposals for organising an exhibition to mark the 50th anniversary of the Treaty of Rome on 27 March 2007 has been published. A single grant of €1 million will go to a sole organisation in the cultural field. The event will be aimed at schools in the community with the focus point being in Brussels. Activities must start after 31 July 2006 and end by June 2008. The application deadline is 30 June 2006.

European Venture Contest

The contest is Europe-wide and the purpose is to identify, award and honour innovative technology ventures which reshape their industry and the global market. Entrants can be companies, including investors, and even cities in Europe. The deadline is 30 July 2006.

Grants in May 2006

Accidental Marine Pollution (2000-2006)

This is a Call for Proposals for project focusing on accident evaluation, evaluation of response methods to oil and chemical pollution and claim management. The funding will finish on 31 December 2006.

Agricultural Genetic Resources

The work funded must cover the conservation, characterisation, collection or utilisation of genetic resources in agriculture. Funding can be up to 50% of targeted action or 80% of concerted actions. The application deadline is 30 June 2006.

Upcoming Calls for Proposals

An organisation needs to plan its contribution to the Commission's Calls for Proposals for the best results in the bidding process. Early notification of the programmes which are becoming available is important. Here are two of them.

- eContentplus Programme (2003-05) A Call for Proposal to make public interest digital content more accessible is expected to be published in June 2006.
- Safer Internet Plus A Call for Proposals to tackle the publication of harmful content on the internet is expected to be published in June 2006.

Peter Matthews worked for the European Commission and now advises on how to complete applications for Grantfinder projects. He also specialises in global trade and investment funding support and soft loans from the EU to Eastern Europe, Northern and Sub-Saharan Africa and South East Asia.

Please contact your local Euro Info Centre for more information on these programmes. A one-page summary of the programmes generated from Grantfinder will be sent to you free of charge.

Innovation on a European Scale

Brian Meredith of the Wales Euro Info Centre looks at the hot topic of innovation.

Innovation as a driving force

For many years in economic policy statements lip service has been paid to innovation as being one of the great drivers of any country's economy. For most of the 19th and 20th centuries the UK was recognised as the world's greatest innovator. Such countries as Germany, France and the USA would also lay claim to the title. Innovation was achieved in areas of mass consumer development and demand such as textiles, leather, steel, transport, and latterly in entertainment, communication and information. Globalisation has changed the balance of production and opportunities of those mass-market products and with it the opportunities for growth and jobs within the older economies.

This is recognised within Wales, the UK and all members of the European Union and hence it is agreed by all those governments that it is a crucial area to be tackled at the European level. At the same time each country will respond to threats in a way which is appropriate to its own national, political, economic, social and fiscal requirements and hence the role of the EU Commission, in particular, is to establish the framework and environment within which all its members can work for the improvement of all. Innovation has to become the driving force of all the EU economies, and not just something that we pay lip service to. It has become a key part of the revised Lisbon Agenda with the objective of achieving Growth and Jobs through the Competition and Innovation Framework Programme: the Directorate General for Enterprise and Industry has responsibility for this action.

Policies at Member State and EU level should enable firms to produce, acquire and use the technologies and finance they



Image: © European Community, 2005

Innovation on a European Scale

need to exploit new market opportunities.

The business environment depends partly on the quality of regulation and its efficient implementation. This means building Community regulation into national legislation without adding layers of bureaucracy to national rules, and adopting research and innovation-friendly administrative practices. Member States are invited to transpose and apply Community legislation in a way that will promote research and innovation.

Constructing the necessary framework

The Commission is already constructing the necessary framework with:

1. Its proposals for the 7th Research Framework Programme (FP7).
2. The Competitiveness and Innovation Framework Programme (CIP).
3. The Structural Funds and the Rural Development Fund and other relevant instruments.

These are complementary instruments, each with its specific form of governance.

Member States should also do more, taking into account their specific situations and learning from others' experience.

Innovation on a European Scale

To put research and innovation at the heart of EU funding

The Commission will	Member States are invited to
Stimulate the use of Structural Funds for driving research and innovation	Adopt the Commission's proposals on the Cohesion and Structural Funds and take full advantage of the wide range of new opportunities offered by these Funds and by the Rural Development Fund, regarding research and innovation
Promote better access to finance for innovative SMEs	Make full use of the equity and guarantee schemes and engage their financial communities to facilitate access to finance
Support the development of new technologies and foster their market uptake	Adopt the Commission's proposals on the 7th Research Framework Programme and the Competitiveness and Innovation Framework Programme, together with the European Parliament
Mobilise national and regional research and innovation programmes and other sources of funding	Take maximum advantage of Community support schemes to foster translational co-operation

The practical application of principles

1. Better Regulation for new technology.

The Commission will identify barriers to research and innovation and in conjunction with the Member States find ways to remove them.

Innovation on a European Scale

2. Redeploy state aid towards research and innovation.

Over the next budget period state aid will be gradually reduced while re-focusing it on activities that have the most sustainable impact on competitiveness, jobs and growth.

3. Improved efficiency and use of intellectual property rights.

The establishment of the Community trademark and Community design right were big steps in this direction. Unfortunately, a similar process does not yet exist for protecting patents. In the global 21st century it is vital that companies can protect their intellectual developments.

4. An attractive single market for researchers.

To expand its role in science, technology and innovation, the EU needs to get more and better researchers and to use these human resources fully. In conjunction with its members it should stimulate the best brains to follow research careers and to stay in or come to Europe.

5. The Commission will raise awareness of the benefits of re-orienting public procurement towards stimulating research and innovation and the scope for this under Community public procurement law. This will take the form of a 'Handbook on public procurement and research and innovation'.

6. Better and wider use of tax incentives. Well-designed tax incentives can support business research and innovation in a simpler and more predictable way than grants. The Commission intends to bring about a more effective, stable and concerted use of R&D tax incentives, including specific schemes addressing areas of common interest.

Innovation on a European Scale

A decorative graphic on the left side of the page consisting of a trail of yellow and grey stars, similar to the European Union flag, moving from the top left towards the bottom right. The stars are of varying sizes and are set against a background of light blue and white geometric shapes.

This article cannot go fully into the detail of the many ways in which the broad EU themes are being translated into action both by the European Commission and the individual Member States. More information on innovation is available on the following websites: <http://aoi.cordis.lu> www.europe-innova.org; or you can contact The Wales Euro Info Centre; Tel: 02920 229525/ 01352 704748 www.waleseic.org.uk

Food Safety Developments

Paul Clarke, EU consultant, discusses the latest developments concerning food safety in the EU.



From farm to fork: a new approach to food safety

A process that began in January 2000 with the publication of a Europe Commission White Paper was completed on New Year's Day 2006 when Regulation 853/2004 on the hygiene of foodstuffs came into force. It gives legal shape to the new regulatory approach to food safety proposed by the White Paper.

Because of the impact of the regulation - it essentially overhauls the total EU approach to food safety - it did not enter into force on its publication in the Official Journal, as is the usual practice with EU regulations. Member States were instead given 20 months to prepare for its implementation, more in the style of a directive. As well as covering production throughout the EU, it also applies to imported and exported food products. The regulation repeals Directive 93/43 on food hygiene rules.

An integrated approach to food safety

The new 'from the farm to the fork' approach draws together, for the first time, the various aspects of food safety along the food chain, from hygiene provisions to animal health, welfare and phytosanitary requirements. The regulation lays down general requirements relating to food hygiene, clarifying the existing responsibilities of food businesses. Under the new approach, primary producers (farmers) are now subject to the hygiene requirements. The legislation adopts a more flexible and risk-based approach than previous requirements and applies to almost all food businesses.

The regulation sets out the hygiene requirements for: food premises, including outside areas and sites; transport

Food Safety Developments

conditions; equipment; food waste; water supply; personal hygiene of persons in contact with food; food; wrapping and packaging; heat treatment, which may be used to process certain foodstuffs; and the training of food workers.

It seeks to ensure the hygiene of foodstuffs at all stages of the production process, from primary production up to and including sale to the final consumer. It does not, however, cover issues relating to nutrition or to the composition or quality of foodstuffs.

The HACCP system

An important development introduced by the new rules is that, in line with the principles established in the Codex Alimentarius (the code of international food standards drawn up by the United Nations Food and Agriculture Organization), food safety management systems based on Hazard Analysis and Critical Control Point (HACCP) principles will be mandatory for all food businesses. The HACCP approach is a recognised tool to help businesses reach a high standard of food safety. These systems will differ in their level of sophistication depending on the potential hazard of the business. They will not apply to primary producers for the time being.

The principles prescribe a certain number of requirements to be met throughout the cycle of production, processing and distribution in order to permit, via hazard analysis, identification of the critical points which need to be kept under control in order to guarantee food safety. Any food manufacturer affected must therefore:

- identify any hazards that must be prevented, eliminated or reduced to acceptable levels
- identify the critical control points at the step or steps at which control is essential

Food Safety Developments

- establish critical limits beyond which intervention is necessary
- establish and implement effective monitoring procedures at critical control points
- establish corrective actions when monitoring indicates that a critical control point is not under control
- implement own-check procedures to verify whether the measures adopted are working effectively
- Keep records to demonstrate the effective application of these measures and to facilitate official controls by the competent authority.

Two critical control points in slaughterhouses that need to be managed according to the HACCP principles are the prevention of faecal contamination of carcasses and ensuring the correct temperature of carcasses during storing.

Integrated but not heavy-handed

The regulation recognises that the application of the HACCP principles on farms is not yet generally feasible. It accepts that it is appropriate for the hygiene requirements applicable to primary production to differ from those for other operations higher up the supply chain. However, it suggests that guides to good practice should encourage the use of appropriate hygiene practices at farm level. Where necessary, specific hygiene rules for primary production should supplement these guides.

The hygiene rules also allow for some flexibility for small businesses, traditional food production methods and for businesses in isolated areas. In addition, primary production for private use and the direct sale of small quantities of primary

Food Safety Developments

products are not covered by the hygiene rules. For example, apples or eggs sold directly at the farm gate or in local retail shops are exempted. The overall objectives of food hygiene must not however be compromised.

Traceability and withdrawal of food products

As laid down in Regulation 178/2000, food business operators must set up traceability systems and procedures for ingredients, foodstuffs and, where appropriate, animals used for food production. Where a food business operator identifies that a foodstuff presents a serious risk to health, it must immediately withdraw that foodstuff from the market and inform users and the national authorities.

Application in the UK

The regulation is directly applicable in the UK from 1 January 2006. It has implications for existing UK regulations and practices, however, and these have to be addressed. For example, the Commission has clarified that activities undertaken at egg packing stations are not primary production. Such stations will therefore be subject to the general hygiene requirements of Regulation 852/2004. They must also comply with the requirement to have in place food safety management systems based on HACCP principles.

Enforcing and executing these requirements would be more appropriately undertaken, the Government has decided, by food authorities than by (in the case of England) the Egg Marketing Inspectorate of the Department of Environment, Food and Rural Affairs (DEFRA).

This article first appeared in Croner's Importer's Briefing, issue 237, copyright Wolters Kluwer (UK) Limited; website: www.croner.co.uk; tel 44 (0)20 8247 1175.

Consultations

Here we provide a selection of current consultations that are of interest to SMEs.



Ten minutes to improve the business environment in the EU

One of the aims of the current European Commission is to improve the regulatory environment for businesses and thereby help them compete successfully in the global market. It believes that strong companies in a strong European economy will result in more jobs and more economic growth and thereby benefit all. To ensure that those areas that are of real concern to businesses are looked at, the European Commission would like businesses and other interested parties to comment via an online questionnaire on which rules need to be simplified because they hinder business development, stand in the way of sustainable growth, etc. To take part in this online consultation, go to

<http://europa.eu.int/yourvoice/forms/dispatch?form=418&lang=EN>

How can the internal market best respond to new and future challenges?

Are EU policies on the Internal Market which aims to provide free movement of people, goods, services and capital in the EU the right ones? Are the right rules in place and being enforced? How could they be improved? As part of their review of the Internal Market Policy, the European Commission has launched a public consultation to give everyone the opportunity to answer these three questions and have their say on how the Internal Market should respond to new and future challenges. The consultation aims to stimulate a wide-ranging debate on future policy in the Internal Market and the results of the consultation will help the shape Commission thinking. A public hearing to discuss key aspects of Internal Market policy in greater depth will take place

Consultations

on 12 September 2006. The deadline for the consultation is 15 June 2006 and the consultation document and a template for replies can be downloaded from http://europa.eu.int/comm/internal_market/strategy/index_en.htm.

Motor insurance

The European Commission has launched a public consultation on two issues related to motor insurance: the effectiveness of claims representatives in settling claims and insurance cover for legal expenses. One of the aims of the Fourth Motor Insurance Directive from 2000 is to enable 'visiting victims' (people who have been injured or suffered damages outside their Member State of residence) to receive compensation faster in their Member State of residence. The Directive states that motor insurance companies have to appoint claims representatives in each Member State, apart from the country in which they are authorised to conduct insurance business. This means visiting victims can address their claims to the claims representative of their Member State of residence and do not need to contact directly the insurer of the liable person in the Member State where the accident occurred. The Commission is examining the effectiveness of this mechanism. The consultation is open until 5 June 2006.

<http://europa.eu.int/yourvoice/ipm/forms/dispatch?form=motor&lang=en>

Circulation of defence-related products

European Commission Vice President Gunther Verheugen met with CEOs of EU defence companies and other stakeholders in Brussels on 24 April. The participants discussed developing a European Defence Equipment Market (EDEM) taking account of the specificity of defence goods and encouraging industrial restructuring and/or consolidation guided by market forces in

Consultations

A decorative graphic on the left side of the page consisting of several yellow and grey stars of varying sizes, arranged in a pattern that suggests the European Union flag, set against a light blue background with abstract shapes.

the various defence sectors (aeronautics, space, electronics, land systems, shipyards, etc.). Relations with third country partners (in particular transatlantic relations) were also on the agenda. The European Commission is now inviting stakeholders to comment on a consultation paper on the Intra-EU circulation of defence-related products. The paper is intended to lay the groundwork for an initiative facilitating the movement of defence-related products within the EU. If you would like to participate, please send an e-mail to the following mail box: entr-consult-defense-transferts@cec.eu.int.

Submissions should be sent by 30 June 2006. The consultation paper is available at http://europa.eu.int/comm/enterprise/regulation/inst_sp/defense_en.htm#cons.

Information Roundup

1.5 Million register for .eu

The launch of the 'eu' domain name and its first steps into cyberspace seem to have been a success. Over 700,000 Europeans raced to register their new .eu internet domain name in the four hours after it opened to the public on 7 April according to EURid, the non-profit body charged with overseeing registration. The total is well over 1.5 million domain names registered - and rising daily - with the Germans, British and Dutch being the most enthusiastic new users.



Free movement of workers: the EU 15 gradually open their borders

On 30 April the workers of Eastern Europe almost celebrated an early '1st of May'. The majority of 'old' Member States (those making up the EU 15) decided to soften or lift restrictions to their free circulation. This was a nice way to celebrate the second anniversary of the EU 25.

While Spain, Portugal, Finland and Greece have now joined the United Kingdom, Ireland and Sweden, the three countries which immediately opened their labour markets without restriction, others still seem to have doubts.

France, Luxembourg, Belgium and Italy seem more reserved and chose gradually to soften restrictions. The first three softened restrictions only for the sectors where labour needs are fierce. And Italy decided to increase its foreign workers quotas to 170 000.

The Netherlands gave up at the very end, postponing the deadline to end 2006 at the earliest. Only Germany and Austria kept their barriers to the free movement of workers from the East intact. As to Denmark, hesitating until the very end, the country eventually decided to soften its restrictions over three

Information Roundup

years.

The Commission welcomed Member States' efforts. Employment Commissioner Vladimír Špidla reaffirmed his conviction that more openness will not increase unemployment rates, but much rather dynamise the economies of the 'old Europe'.

European Competition Network established

The objective of the newly established European Competition Network (ECN) is to build an effective legal framework to enforce EU competition law against companies who engage in cross-border business practices which restrict competition and are therefore anti-consumer. The European Commission and the competition authorities from the EU member states will cooperate with each other through the ECN by:

- informing each other of new cases and envisaged enforcement decisions;
- coordinating investigations, where necessary;
- helping each other with investigations;
- exchanging evidence and other information; and
- discussing various issues of common interest.

Within the ECN, groups of experts in specific sectors including banking, securities, energy, insurance, food, pharmaceuticals and telecommunications, will discuss competition problems and promote a common approach.

Network of Europe Direct outlets in UK approved

A new network of 25 information outlets providing EU information and advice to the public throughout the UK has been given the go ahead by the European Commission. Operational from May 2006, these Europe Direct centres will cover eight of the nine English regions, Scotland, Wales and Northern Ireland

Information Roundup

A decorative graphic on the left side of the page consisting of several yellow and grey stars of varying sizes, arranged in a pattern that suggests the European Union flag. The stars are set against a light blue background that also features a faint map of the United Kingdom.

with the goal of providing hands-on information to people at a local level. The first of their kind in the UK, these Europe Direct outlets join an existing 400 others throughout the EU Member States, where the EU public can access facts and figures and have their questions answered regarding their rights as EU citizens. Speaking about the initiative, Head of the European Commission in the UK, Reijo Kemppinen said, 'This go-ahead for the Europe Direct network within the UK creates a superb facility for the UK public. Through these advice centres we aim to provide a clear and effective information service that will ultimately benefit people by answering any EU related queries they may have and highlight their rights as EU citizens. They will also serve to shed light on the euomyths that are sometimes propagated by parts of the media here.'

Britain in the EU: UK launches new website

A new website www.europe.gov.uk with information on the European Union has been launched by the UK's Minister for Europe, Douglas Alexander. Part of the Foreign and Commonwealth office website, the new site gives a clear picture of the UK's EU policy, and offers an opportunity for debate: a section entitled 'Future of Europe' sets out a range of opinions on the EU and invites people to contribute. 'I hope this new website will not only help meet the public's desire for more information about the EU but will encourage and stimulate public debate on Europe,' he said. A recent Eurobarometer poll showed that up to 60% of the UK public would like more information on the EU. 'The EU has brought many benefits to the United Kingdom, but there are many myths too. This website is one resource in helping to cut through those myths, so that people can see the facts for themselves and make up their own minds on the benefits the European Union brings to the UK,' Alexander added.

Information Roundup

New agreement on worker safety

Social partners (trades unions and employers' representatives) from across the EU signed an agreement in the presence of EU Commissioner for Employment, Social Affairs and Equal Opportunities, Vladimír Špidla, to protect the health of more than two million workers in many different sectors across Europe. The agreement will protect workers exposed to crystalline silica dust. Inhaling respirable crystalline silica can lead to silicosis. Silicosis is also linked to other dangerous lung conditions, such as emphysema and lung cancer. Workers in most sectors involved in use of silica crystalline include aggregates, extractive industries, cement, foundries, glass industry, ceramic industry, industrial minerals, mineral wool, natural stone industry, mortar, pre-cast concrete and metalliferous minerals. Ancillary activities related to these sectors, such as handling of materials, storage and transport, are also covered by the agreement.

A monitoring committee with equal numbers of employee and employer representatives will settle questions on the application and interpretation of the agreement. It will also write a sector-by-sector report on the application of the agreement which will be forwarded to their members, the European Commission and the national authorities responsible for worker safety. Six months after being signed, the agreement will come into force for four years and will then be renewed automatically for consecutive two-year periods. If, in the future, EU legislation in relation to silica crystalline were proposed, the signatories of the agreement would meet to consider the consequences for the agreement.

http://europa.eu.int/comm/employment_social/emplweb/news/news_en.cfm?id=152

Information Roundup

UK's VAT postal exemption hinders competition

A letter of formal notice, the first stage of infringements procedures, has been sent to the UK authorities, seeking information on the VAT application of postal services. Formal requests have also been sent to Germany and Sweden. The UK and Germany exempt from VAT all or most postal services supplied by their former postal monopolies, which hinders competition according to the European Commission, while Sweden does not exempt postal services. The Member States involved have two months to reply. The Commission has to ensure a proper application of the VAT postal exemption in order to avoid distortions of competition between former monopolies and market entrants.

'The European Commission is obliged to ensure EU rules are applied in a harmonised manner across the Community. The VAT exemption for postal services is still part of Community rules and only its proper application can help to minimize distortions of competition in a liberalised market between former monopolies and market entrants,' said László Kovács, European Commissioner for taxation and customs. 'I urge the Council of the EU to adopt as soon as possible the Commission proposal concerning VAT rules on postal services in order to modernise the current legislation and respond to the needs of today'.

For further formation on VAT and postal services access http://europa.eu.int/prelex/detail_dossier_real.cfm?CL=en&Dossier=182512.

Welsh export plan extension

Wales Trade International (WTI) introduced ExportAssist in October 2002 with a three-year budget of £8.6 million. Now it is to extend its ExportAssist programme until June 2008 as a result of securing over £12 million of Objective 1 funding. The extra

Information Roundup

funding will allow it to:

- maintain its presence in the Objective 1 local authorities,
- reintroduce a programme of overseas trade events and specialist business advice, and
- introduce new initiatives such as inward missions and workshops on export procedures.

ExportAssist is the only Objective 1 funded programme aimed specifically at the development of SMEs into the international trade arena.

Business and consumers paying too much for payment cards

Lack of competition in the payment cards industry is pushing up prices for both business and consumers, European Competition Commissioner Neelie Kroes announced this week. Speaking at a press conference in Brussels to introduce the findings of an inquiry, she said: 'The payment cards industry in Europe remains national and some local players are preventing competition from developing. This pushes up payment card costs for consumers and businesses. Competition law and sector regulation must work together to create a better environment for business.' Both credit and debit cards are in the spotlight. A total of 23 billion card payments are made annually in the EU with an overall value of €1,350 billion. The charge on a retail purchase averages about 2.5%. 'That is a tax on consumption,' said Kroes. 'Every household could save a considerable amount of money if the market were more competitive - hundreds of euros for the average cardholder. The market is a closed shop. Who is paying the bill at the end of the day? The consumer, and small and medium-sized business.' Commissioner Kroes said she saw three ways to get better value:

- looking at whether the Commission should pursue cases against banks and card networks under EC anti-trust rules;

Information Roundup

- supporting legislation proposed last December for a single payment area in the EU;
- and getting payment card systems and the European banking industry to tackle the problems the inquiry identified.

A lack of common technical standards across Europe must change. 'The more the payment card industry does on its own initiative, the less likely they are to face action under anti-trust rules.' This inquiry will be followed later this year with others on retail banking and the insurance industry.