

EUROPEAN  
FILE



The European  
Community  
and sport

**W**hat, you may ask, is the connection between sport and the European Community? It would be absurd to ask the same question about agriculture or competition since we have come to accept the Community's involvement in these and many other areas for over the last 30 years. Yet, strange though it may seem, the European Community really does have an interest in sailing, javelin-throwing and volley-ball.<sup>1</sup>

This interest may surprise but may also arouse fears. Could the independence of sports federations be undermined in the future by Community decisions on the size of basketball courts or the weight of tennis balls?

But Community action is neither arbitrary nor based on any desire to dictate. The fact of the matter is that sport is not just a leisure activity. It is an important industry too. Just think of the budgets of football clubs, the cost of a Formula 1 team, the fortunes won on the pools, and the advertising rates charged when major events such as the Olympic Games, the Tour de France or Wimbledon are televised.

With the advent of the single market, sport can no longer remain in an ivory tower. From now on it will have to contend with such radical innovations as the free movement of individuals, the mutual recognition of qualifications and the application of Europe's competition rules to television broadcasting.

There is a challenge for the Community too. In 1993, the free movement of individuals, goods, services and capital will no longer stop at the stadium gate. However, rules tailored to the telecommunications or insurance industries cannot simply be transposed to the sports sector, whose specific characteristics require particular attention. And beyond the rules and regulations, the Community sees sport as an excellent vehicle for publicizing the aims and achievements of European integration.

In a paper entitled 'The European Community and Sport',<sup>2</sup> the European Commission has defined its overall approach to relations with the world of sport. For sports federations, this paper provides the first reference framework defining the scope of Community action. Far from being the end of the line, it marks the starting point for a constructive dialogue which will allow for the specific characteristics of sport and enable it to find its place in the definition of a new European citizenship.

## **The economic and social importance of sport**

Paul Gascoigne, Boris Becker, Alain Prost, Severiano Ballesteros ... all are household names. The importance of sport in everyday life is obvious. In one way or another sport affects sectors as varied as education, the press, the audiovisual industry, gambling and infrastructures. Indeed, the very pervasiveness of sport makes it difficult to assess the impact it has. It is true that there are macro-economic indicators: sport is thought to account for 2.5% of world trade or 1% of

<sup>1</sup> Manuscript completed in February 1992.

<sup>2</sup> Commission communication to the Council and Parliament, SEC(91) 1438 of 31 July 1991.

Community GNP. However, these estimates, striking though they may be, are abstractions. They do not reflect the importance of sport in our daily lives, still less the passions that sport can arouse. However, a few figures give some idea of its relative importance in each of the Community countries.

- In Denmark 1 850 000 individuals, representing 36% of the total population, are grouped in 10 000 sports clubs.
- In The Netherlands, 4 000 000 people belong to clubs and another 3 000 000 take part in sporting activities without being members of a club. This means that almost half the population is involved in sport in one way or another.
- In Luxembourg, there are 1 100 sports clubs with 120 000 members. This represents more than 30% of the population.
- Belgium has more than 17 000 clubs with 1 400 000 million members.
- In Spain, total investment, private and public, in the Barcelona Olympic Games and associated urban development (sports facilities, infrastructure, telecommunications, etc.) will amount to something in the region of PTA 770 billion (almost ECU 6 billion).<sup>1</sup>
- In Greece, the football pools, known as the *Pro-po*, generate average annual profits of more than DR 20 billion (over ECU 85 million).
- In the United Kingdom, expenditure related directly or indirectly to sport is ranked sixth in the spending priorities of households.
- In Germany, the jobs of 2% of the working population depend directly or indirectly on sport.
- In France, eight viewers in ten watched the opening ceremony of the Albertville Winter Olympics on television.
- In Italy, the first division football championship attracts some ten million fans, a figure equivalent to the population of Belgium, to the terraces over the season.
- In Ireland, Gaelic football and hurling, two ancient but extremely popular sports, are followed by at least half of the population every weekend.
- In Portugal, the sporting gazette *A Bola* with sales of some 170 000 copies has the highest circulation of any national newspaper.

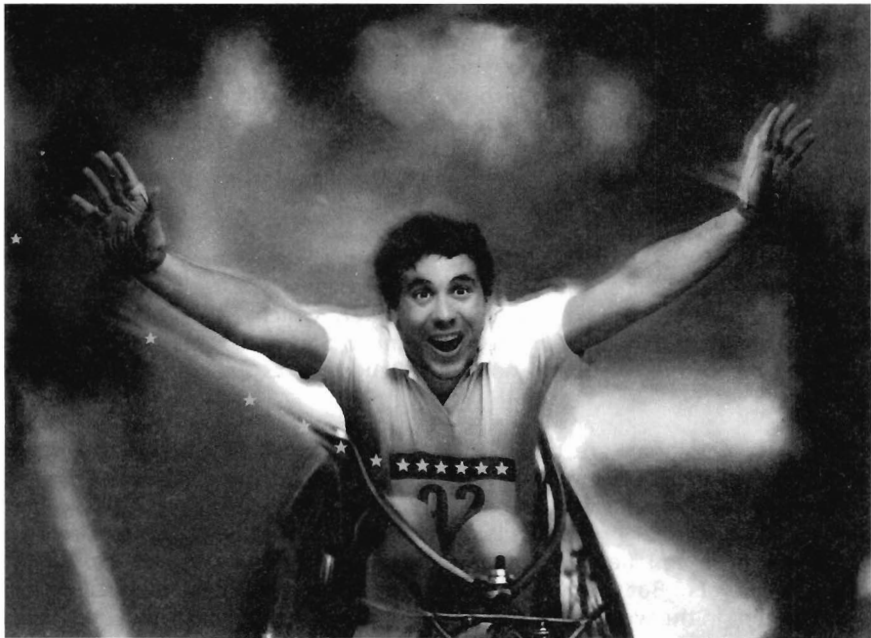
<sup>1</sup> ECU 1 = approximately UKL 0.71, IRL 0.77 and USD 1.24 based on the exchange rate in force on 30 April 1992.

These examples give some indication of the extent to which sport has become a social phenomenon affecting every country, every age group and every section of society. As our leisure time expands, our involvement in sport, as players or spectators, is bound to increase.

### **1985: The starting point**

Sport and the European Community got together relatively recently. When the Treaty of Rome was signed in 1957, the founding fathers made no mention of sport. But the six initial signatories (Belgium, Germany, France, Italy, Luxembourg and The Netherlands) could not have been expected to cover every angle at the outset. The environment was 'forgotten' too; yet today nobody questions the legitimacy of Community involvement in this area. Since its inception, the European Community has progressed by completing one stage and then setting itself new goals for the next. A 'people's Europe' and, more recently, European citizenship are just two of the new directions being pursued by the Community.

In June 1984, the Fontainebleau European Council decided to set up an *ad hoc* committee on a 'people's Europe', thereby giving its blessing to the ambition of the Community's institutions to add an individual and human dimension to European integration. The Heads of State or Government recognized that, if the Community was to progress, it could no longer confine itself to economic matters. It needed to acquire a 'soul'. In 1985, the Milan European Council unanimously adopted the Addonino report, which made the point that sport



*Sport for the disabled, as a factor for integration and recognition, could become a key area for Community action.*

provided a unique opportunity of promoting a sense of belonging to a single Community. Since then, the European Commission has launched major communication programmes using sport as a medium and has given its backing to many sporting events.

Another, more recent, aspect of Community action is linked to the single market and 1993. This will have serious consequences for European sport. Because sport has become an industry as it were, many aspects of sporting activities are now covered by Community law and are subject to the legal and institutional imperatives of the Community.

Community action on sport has taken many forms over the last 30 years.

A number of rulings by the Court of Justice have long since spelled out the relationship between sport and the Community. The European judges have, for example, confirmed the specific character of national teams. The European Parliament has taken an interest in the role that sport could play in creating European citizenship. Two informal meetings of Sports Ministers have been held to examine the problems raised by sport in the context of European integration. Lastly, the European Commission has set up a specialized unit to serve as a focal point for Community action.

## **1993: The challenge of the single market**

Sport is organized and structured in a variety of ways in the Community. However, there are points in common: in all member countries, sports federations have been at pains to assert their independence and autonomy from the political authorities. The sporting world, governed by its own rules and organizations, has long kept its distance from European integration. In mitigation it must be said that for a long time sport was not a priority for the Community. However, from 1 January 1993 onwards, the situation will change dramatically with the advent of the single market, that is to say, a large frontier-free area with a population of 345 million.

Introduction of the four freedoms underpinning the single market — free movement of individuals, goods, capital and services — is a challenge affecting all strata of European society. The single market, which will do away with all protectionist barriers between the 12 Member States, is about to become a reality. The sporting world can no longer ignore it, as the following examples show:

- Sports professionals are regarded as 'workers' and as such will be free to exercise their profession in any Member State. At present Europe's sports federations have rules which limit the number of foreign players, Community nationals included. It is difficult to imagine clubs like Manchester United or Ajax (Amsterdam) fielding teams made up entirely of German, Spanish or Greek players. But some way will have to be found of reconciling free movement in the world of sport with national or regional sensitivities. Sport is also affected by the mutual recognition of qualifications, which will make it possible for, say, European managers and coaches to work anywhere in the Community.

- Television rights are of the utmost importance to the financial health of the sports sector. Sports programmes represent a high proportion of the output of most European television channels. Competition to secure exclusive rights to broadcast major sporting events whatever the cost leads to ferocious outbidding between channels. This practice may well be incompatible with European competition rules and the Community's determination to create a European audiovisual area.
- Competition problems also arise in relation to football pools, which are an important source of sports funding in many member countries. In Italy, for example, the takings of the *totocalcio* are in the region of LIT 3 000 billion a year (roughly ECU 2 billion). Some Member States have liberalized betting, whereas in others it is still in the public sector. The European Commission has established contacts with sports organizations and the Member States to consider the future of betting in the single market.

As these examples show, lack of awareness is now a thing of the past. At the Maastricht European Council in December 1991, the Heads of State or Government decided to create a 'European citizenship'. One effect of this will be that, in the not too distant future, Community nationals will be entitled to vote in local elections in the countries in which they reside. Is it conceivable that a Belgian could vote to elect a French or Italian mayor but be banned from veterans' competitions at his local tennis club? The connection between Community and sport extends beyond the world of work to leisure activities and involvement of the citizen in the everyday life of the Community.



*The Tour de France goes European: the frontier-free area in 1993 will open up new opportunities for sport.*

## The scope of Community action

The Community has no intention of introducing detailed rules for every aspect of sport — or for any other area for that matter. The principle of subsidiarity applies here too, which means that action at Community level is warranted only where it promises to be more effective than action at national level.

This approach is not an excuse for laxity. Sport cannot be the exception to the general rule. The Commission's job is to ensure that Community rules are applied. If it were to shirk its responsibilities, there would be nothing to stop injured parties — individuals or associations — taking legal action. Without clearly defined rules, court rulings would proliferate and sport itself would stand to lose in the end.

Community action on sport centres on information and communication.

- Effective collaboration between the Community and sports federations hinges on better information. The sports sector has special characteristics and complex structures. It is essential that the Commission should be acquainted not only with structures, which vary from country to country, but also with the sector's specific problems if it is to dissipate fears of unwarranted interference. Conversely, the sports sector needs to become more aware of the reality of the Community, learn how it works, and evaluate the impact of Community legislation.
  
- The Community has developed a communications campaign centred on sporting events with a Community dimension, such as the European Yacht Race, the Philadelphia-Nieuwpoort Constitution Race to mark the 30th anniversary of the Treaty of Rome and the 200th anniversary of the United States Constitution, the European Youth Olympics or the European Community Swimming Championships. Since 1987, the Commission has been associated with a wide range of events, including sport for the disabled and sport for all, under the slogan 'A frontier-free Community, open to the world'. In 1992 there will be a Community presence at the Barcelona Olympic Games with the message 'A thousand faces, a single force', at the Tour de France, which this year links seven Member States and the three seats of the Community (Brussels, Luxembourg and Strasbourg), and at the first European School Games in Caen. The purpose of the exercise is to heighten public awareness of the Community's aims and achievements by demonstrating how they affect our daily lives.

Sport also provides an extremely useful channel for information about the Community's policies. For example, a number of surveys have shown that many young people from deprived backgrounds have little or no access to information about Community programmes that could help them. Sport is a good medium for reaching this population group and it could be used to advantage to promote the integration of migrants and Community action on health.

## A new dialogue

The multiplicity of power centres in the world of sport has long proved daunting to the European Commission. Conversely, because of the range of areas having a bearing on sport, sports authorities have experienced difficulty in finding their way through the Community maze.

At the informal meeting of Sports Ministers in Rome in December 1990, the Twelve came up with the idea of a consultative body which would allow the Community, sports federations and the Member States to meet and discuss common problems. The European Sports Forum was born and held its constituent meeting in Brussels in December 1991.

The European Sports Forum provides a simple framework for awareness raising and dialogue between the Commission and sports authorities. It won't be taking any decisions — these are a matter for the institutions created by the Treaties. The objectives of the Forum are:

- To keep sports authorities informed of Community rules having an impact on sport.
- To keep the Community informed of problems facing the world of sport.
- To advise the Commission of areas where Community action could serve the interests of sport.



*The 'Europe' during the Constitution Race: the success of the European venture depends on team spirit too.*



'Cobi', the mascot for the Barcelona Olympics, sporting Europe's colours.



The Forum will therefore allow a new dialogue to develop between the Community and the world of sport. It will be up to the parties involved to make the Forum work so that sport can assume its rightful place in the single market of 1993.

## The future

A frontier-free Europe is just around the corner. But the European venture does not end there. If the ultimate goal of a united, cohesive Europe is to be achieved, a European identity will have to be forged. Each of us will have to contribute to making Europe's diversity of cultures, attitudes and know-how a source of enrichment for all.

As an integral part of our heritage, sport has always brought people together, transcending language differences and national stereotypes. In a changing Europe sport, with its ability to break down barriers, is a prime factor for integration. For this reason alone it has earned a place in the new Europe.



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