

# COMMISSION OF THE EUROPEAN COMMUNITIES

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COMMUNICATION FROM THE COMMISSION TO THE COUNCIL

ON A PEOPLE'S EUROPE

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In June 1984 the European Council expressed a wish to give European integration a dimension that was closer to people's preoccupations and interests.

The establishment of the ad hoc Committee and the backing which the European Council gave to its proposals created a mood of public expectancy, which is reflected in Parliament's discussions on a People's Europe.

However, eight months after the first report and five months after the second, achievements are lagging behind objectives. Particularly worrying is the fact that none of the more symbolic measures relating to free movement and cinema and television coproduction has been adopted.

The Commission therefore feels that follow-up to the work of the ad hoc Committee has been unsatisfactory. The situation reveals once again the divide between major political decisions and their implementation.

The Commission would therefore like the European Council to be made aware of its assessment of the results. It would also like to see procedural arrangements approved to ensure that the Council approves proposals embodying some progress towards a Europe which is closer to its inhabitants in the first three months of 1986. These proposals relate to the easing of frontier checks on travellers, right of residence and support for cinema and television coproductions.

This communication begins by reviewing the commitments entered into and goes on to give a progress report on (a) discussions within the Council on proposals which were on the table before the Milan European Council and (b) action taken by the Commission in response to the European Council's guidelines.

I. BACKGROUND

The European Council has been sent two reports by the ad hoc Committee set up at its Fontainebleau meeting in June 1984.

- The first report, dated March 1985, made proposals relating to free movement and the right of establishment.

- The second report, dated June 1985, dealt with education, youth, health, culture, special rights and Community symbols.

At its meeting in Milan on 28 and 29 June the European Council expressed concern at the delay in implementing the proposals made in the first report inviting the Council, the Member States and the Commission, each to take on board their responsibilities and take the necessary decisions to remedy this situation as quickly as possible. The European Council approved the proposals in the second report (see Annex).

On procedures, the European Council "instructed the Council to report to it at its December meeting on the progress achieved". The ad hoc Committee, which had itself advocated some procedure had already asked the Commission to give its assessment of the progress made in implementing the two reports.

The present communication has at the same time the objective of revealing Council's responsibilities with regard to the delays pointed out by the European Council and to state the measures taken by the Commission on the grounds of its own competences as well as its working programme.

## II. STATE OF PLAY WITHIN THE COUNCIL

### (a) Implementation of first report

Although it has adopted Directives on the right of establishment for pharmacists and architects 1), a decision on the comparability of vocational training qualifications 2) and another updating tax exemptions 3), the Council has still to deal with some major proposals honouring commitments given by the European Council.

(1) The ad hoc Committee advocated measures to simplify checks on persons crossing frontiers by introducing new facilities at internal borders and at seaports and airports.

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1) Council's Directives 85/432 and 85/433 on the right of establishment for pharmacists (OJ L 253, 24.9.1985), Directive 85/384 on the right of establishment for architects (OJ L 223, 21.8.1985)

2) Council's Directive 85/368 (OJ L 199, 31.7.1985)

3) Council's Directive 85/348 (OJ L 183, 16.7.1985)

- In January 1985 the Commission presented a proposal for a directive designed to abolish systematic checks at internal borders except in special circumstances. This proposal, which was warmly welcomed by Parliament, has been discussed more than once at Council meetings devoted to the internal market and foreign affairs.

- The compromise reached by the Council confirms existing bilateral agreements and maintains the discretionary nature of checks, notably current practice at seaports and airports, including the regular sea links between Member States. This minimum compromise is being blocked by one delegation, which is opposed to a directive that represents no real progress.

- Although it is unable to block a unanimous Council decision, the Commission cannot accept this compromise. In the event of a decision along these lines being taken, the Commission is determined to present a further proposal to remedy its shortcomings.

(2) On the question of opportunities for employment and residence, the ad hoc Committee asked for classification of the tax situation of frontier workers, urged a broader approach to right of establishment and advocated recognition of generalized right of residence for all Community nationals.

Several proposals presented following the ad hoc Committee's recommendations are pending before the Council:

- the proposal on generalized right of residence 1), which has been discussed several times at Council level. In approving the first report the European Council took a political decision of principle on generalized right of residence for all Community citizens. It was to pave the way for a legal decision which has still not materialized.

Discussions are running into difficulties; one delegation is opposed to a directive being used to extend the right of residence to non-active persons.

- The proposal for a directive on the tax treatment of frontier workers and the avoidance of double taxation. 2) Progress is being hindered by many reservations.

1) COM(79)215, COM(80)358, COM(80)649, COM(85)292

2) COM(79) 737

- The proposal on the right of establishment for engineers. 1)

(3) On the question of tax exemptions the ad hoc Committee noted that "administrative hassle, delays and taxes levied on newspapers and books sent (by traders) to individuals ... should receive due attention from the Council" (point 13.4)

- A proposal that seeks to introduce an exemption of 22 ECU, which corresponds to the average value of a book has been before the Council since 1983. An exemption of this order would have a limited impact on budget revenue, if only because of the deterrent effect of the transport element. It would, however, contribute towards the creation of a common cultural area and more importantly do away with antiquated formalities which cost more to administer than they bring in.

- Despite the Council's undertaking to act before the end of the year, it has proved unable to do so because most delegations are opposed to the idea, given the commercial nature of these consignments.

#### (b) Implementation of the second report

##### (1) Uniform electoral system and the right to vote at European elections

- Parliament has presented a proposal for an electoral system to the Council under Article 138 of the EEC Treaty. The ad hoc Committee called for a decision "as soon as possible before the next election in 1989".

- If this objective is to be met, the Council must act before 1987. Discussions must therefore resume without delay: otherwise the Member States will have to take appropriate steps to ensure that all Community nationals have the right to vote.

(2) Support for cinema and television coproductions. The Commission's proposal for a Regulation, which aims to help the European industry cope with increased demand and withstand foreign competition, is to be considered by the Ministers for Cultural Affairs on 20 December. At present two delegations are opposed to it on principle.

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1) COM(69) 334

(3) Health measures. Three proposals are currently pending before the Council: these seek to introduce a health card, to ensure continuity of dialysis treatment for kidney patients moving from one Member State to another, and to develop a toxicology programme. All three regarded as important by the ad hoc Committee, are still awaiting a Council decision although the progress of discussions gives reason to hope that a decision may be taken at the next Council meeting of Health Ministers.

### III. IMPLEMENTATION OF THE REPORTS BY THE COMMISSION

On the basis of the two reports and their endorsement by the European Council, the Commission has already taken the first steps and has produced a priority work programme for the coming months.

(a) The Commission has taken action on the reports in the following areas:

- general recognition of diplomas 1): a proposal based on the conclusions of the Fontainebleau European Council and directly inspired by ideas developed by the Committee. This is being considered by Parliament under an expedited procedure and the Council has just begun to discuss it. The Commission expects it to be adopted in 1986.

- people living in frontier areas 2): a communication indicating the general lines to be followed in this field and outlining a work programme which could serve as a basis for action by Member States and border authorities.

- changes to signboards at borders 3): the Commission is seeking immediate consideration of its proposal for a resolution by the Council.

The Commission is also involved in discussions with national postal administrations with a view to organizing commemorative issues of stamps with a common design. It is asking individual governments to encourage their postal administrations to implement the ad hoc Committee's proposals.

(b) These Commission initiatives form part of a priority work programme based on the two reports which identifies the measures most likely to have an impact on public opinion.

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1) COM(85) 355

2) COM(85) 529

3) COM(85) 462

The Commission intends to implement the programme before the end of June 1986. It includes:

- measures to facilitate free movement of persons by abolishing tax controls relating to passenger transport and simplifying formalities for removals and temporary import of vehicles. More generally, the Commission intends to see to it that the general ban on double taxation arising out of the Treaty is observed as defined by the Court in matters of VAT in case of trade between Member States. To this end, it intends to publish a communication on the possibilities open to individuals under Community law as interpreted by the Court of Justice in two recent judgments.

- introduction of the right to vote in local elections for all Community nationals, assuming this issue is not resolved by the Intergovernmental Conference.

- creation of a television broadcasting area: the Commission will propose measures to allow freedom of access to national television services on the basis of the guidelines contained in the Green Paper on television without frontiers. It will support initiatives for a multilingual European channel, produced jointly by various European television corporations. In 1986 it will begin preparations for European Cinema and Television Year.

- health measures: as well as improving the system for reimbursement of medical expenses, the Commission intends to give top priority to the European Council's guidelines on combating cancer through both prevention and treatment. A proposal along these lines has just been transmitted to the Council.

- strengthening of the Community's role in combating drugs trafficking in conjunction with the proposals contained in the White Paper on the internal market and the current discussions within the Intergovernmental Conference.

- measures in the field of education and youth exchanges: the Commission will take specific steps to promote language-teaching, strengthen university cooperation and introduce a European dimension into education on the basis of the guidelines adopted by the Council on 4 June last.

- strengthening of the Community's image and identity, notably by implementing the ad hoc Committee's specific proposals regarding a flag, an emblem and an anthem.

## CONCLUSIONS

A commitment on the part of the Community institutions to a People's Europe will clearly not be enough in itself. The ad hoc Committee is right, in its second report, to call for action by Member States, private bodies and the Council of Europe.

However, the Commission intends to act as both driving force and catalyst to ensure consistent action.

The Council, for its part, cannot escape its responsibilities, since it will have to take the most important symbolic decisions on the free movement of persons and the audio-visual media. Delays to date are harmful to the Community's public image.

With this in mind, the Commission urges the European Council to provide specific guidelines for bringing work to a swift conclusion and ensuring that outstanding difficulties on the priority proposals are resolved by the Council in the first quarter of 1986.



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ANNEX

A PEOPLE'S EUROPE

The European Council thanked the ad hoc Committee on a People's Europe for its initial report and for its final report submitted in Milan, both of which contained numerous concrete measures aimed at involving the citizens of Europe more determinedly in the construction of the Community.

With regard to the latter report, the European Council approved the proposals which it contained. Those proposals concerned inter alia citizens rights, culture, youth, education and sport. The European Council instructed the Commission and the Member States, acting within their respective powers, to take the necessary implementing measures, and instructed the Council to report to it at its December meeting on the progress achieved.

The European Council accepted the suggestions along the same lines contained in the French memorandum on a People's Europe and emphasized in particular the sections of that document concerning young people, culture and health. In this context, the European Council emphasized the value of launching a European action programme against cancer.

With regard to the measures contained in the initial report and approved by the European Council in March 1985, the European Council expressed its concern at the delay in implementing them and asked the Council, the Member States and the Commission, each acting within its own powers, to take the necessary decisions to remedy this situation as soon as possible.