

NEWS ITEMS OF GENERAL INTEREST

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# SOCIETY – Combating discrimination more effectively, with better protection for its victims

Employment is to be at the centre of all European Union anti-discrimination proposals.

For years now all European Union (EU) citizens have enjoyed the same rights when applying for a job or seeking a promotion, regardless of their nationality or sex. But people are still being refused employment or an advancement because their skin is too dark, they belong to a religious minority, are "too old", disabled or homosexual. In order to put a stop to this, as well as some other forms of discrimination, and to protect the victims, the European Commission proposed at the end of November two directives, or European laws, and a 6-year action programme.

It is illegal to discriminate between nationals of the different EU member states, and between women and men, under the successive Treaties which represent the EU's constitution. The Amsterdam treaty, in force since May 1, is the latest amendment to this constitution. Under its provisions the EU Council of Ministers can, from now on, decide unanimously to take measures to combat the other forms of discrimination mentioned above. Hence the two recent proposals.

The various member states have acted without waiting for the EU's initiative. National measures are already in force, although their scope varies from country to country. In most countries, discrimination on the basis of race, ethnic origin, religion or convictions is banned under the constitution, and its victims can seek compensation through the courts. This is the case in Denmark, Germany, Greece, Spain, France, Italy, the Netherlands and Portugal. All are equal under the Belgian and Irish constitutions, and those who feel they have been discriminated against can ask the courts to uphold the constitution. In Luxembourg, Austria, Finland and Sweden the constitution contains indications from which principles can be drawn.

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In the great majority of EU countries laws, regulations or collective agreements ban various forms of discrimination at the workplace. Here, too, it is almost always discrimination on grounds of race, ethnic origin, religion or one's convictions. This is as far as it goes in Germany and Italy. Ireland, Belgium, Spain and Finland include age-based discrimination, and Ireland, Denmark, France, the Netherlands, Finland and Sweden, sexual orientation as well. Lastly, the UK, Ireland, France and Sweden also combat discrimination against disabled people.

In the UK, Italy and the Netherlands the fight against discrimination is not limited to jobs, but also covers the supply of goods and services. In Austria, however, it is limited to the provision of public services and admission to public places.

The European Commission has based its latest proposals on these national laws and regulations, in order to fill the gaps and ensure the same level of protection against discrimination throughout the EU. The proposals make it clear, however, that in no member state should the implementation of European measures be a backward step.

### Putting a stop to discrimination based on race, religion, age, disabilities...

The first of the two directives now proposed by the European Commission would ban discrimination on grounds of race, ethnic origin, religion, convictions, age, disability or sexual orientation. It would also ban discrimination as regards access to employment or a profession, promotions and vocational training as well as differential treatment in working conditions. The proposal would also require national authorities to penalize those who failed to respect the ban.

In order to win, victims of discrimination would have to demonstrate its existence. The accused, for their part, whether individuals, firms or organizations, would have to prove that there was no discrimination. There would be derogations; a Catholic organization, for example, could require its employees to be Catholic also.

The second draft directive seeks to combat discrimination on grounds of race and ethnic origin in a wide range of areas other than employment in the strict sense of the word. They include access to trade, the liberal professions, employers' organizations and trade unions, social security and social protection, and education, including scholarships. To this list can be added the provision of goods and services, a term which in practice can cover being served in a restaurant, securing a housing loan or investing in a small business.

The proposal bans both direct and indirect discrimination, as well as harassment. In submitting its proposal the European Commission intends combating not only racism but also social exclusion, which is made worse by racism. The directive would allow victims to go to law and organizations – which defend human rights, for example – to do so also on behalf of the former. It would render null and void contracts, collective conventions and regulations which resulted in discrimination on grounds of race or ethnic origin. Lastly, the directive would require EU member states to provide penalties for its violation.

The action programme which the Commission has proposed along with the directives is designed to complement them through the exchange of information and experience, and the dissemination of best practices. It would run from 2001 to 2006. Under this programme it would be possible to have a better idea of the forms of discrimination in question in the member states and to study them, even while assessing the effectiveness of the policies, laws and practices instituted by the member states to combat discrimination.

The action programme would also foster the exchange of information, at the EU level, between persons and the organizations involved in the fight against discrimination, including the authorities, various associations, employers' organizations and trade unions, research centres and the media. At the same time the programme would finance the operations of the networks formed by European organizations combating discrimination.

Lastly, it would alert those involved in fighting discrimination at the national level of the European dimension of the problem and of European legislation, which should have been adopted in the meantime. It would then be up to those at the national level to increase public awareness.

The EU would support exchanges between member countries and activities at the EU level, but not local or national initiatives. Some €100 million\* could be available for this purpose. Funds to combat discrimination are available under existing EU programmes, such as EQUAL, which has a budget of € 2 billion.

\* €1 = UK £0.64, or IR £0.79.

### **COMBATING FRAUD – The European Union is becoming more effective**

More than 1,000 cases were uncovered in 1998.

The European Union budget for last year was €82.8 billion\*, making it a very tempting target for cheats and fraudsters of every kind. More than 1,000 cases of fraud - at our expense as taxpayers, when all is said and done – were uncovered in 1998. Smuggled cigarettes and alcohol, illegal exports of meat and false documents of all kinds were brought to light by the investigators. But the EU is increasingly well equipped to deal with fraudsters, while cooperation between officials from the various member states has greatly improved.

This is clear from the European Commission's latest annual report on the fight against fraud for 1998. EU governments are in the front line in this fight, as they collect the funds which represent the EU's "own resources", and manage about 80% of the EU's budgetary expenditure.

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The value added tax (VAT) we pay on the goods or services we purchase represents income for the EU. This is also the case when we pay income tax, because the member state we live in contributes to the EU budget. The fact is that the funds meant for the EU budget are channelled through the member states. Similarly, the beneficiaries of EU agricultural subsidies and much of its regional aid are paid by national or regional bodies.

The fight against fraud at the EU level is in the hands of the European Anti-fraud Office (OLAF), an independent body which was set up on 28 April 1998. It took over from the European Commission's own task force which was coordinating the fight against fraud, with a staff of just 120. The number of people employed by OLAF is expected to rise gradually to 300.

The Commission's task force, better known under its French acronym, UCLAF, investigated 5,318 cases in which it was suspected that EU rules and procedures had not been respected or, perhaps, that EU aid had been diverted. Fraud was uncovered in some 20% of these cases.

Much of this fraud affects the EU's income. This is particularly the case as regards the activities of smugglers and traffickers, aimed at avoiding payment of customs duties or taxes. Last year member states seized nearly 5 billion smuggled cigarettes, which represented a loss of €118 million for the EU budget. In cooperation with several national authorities UCLAF persuaded the principality of Andorra, in the Pyrenees, to amend its laws in order to prevent cigarettes being smuggled into the EU. This should add €75 million to the EU budget and some €300 million to the budgets of the member states in question.

Nearly two million litres of alcohol were also seized last year. This put an end to schemes which involved the supposed export of alcohol to Eastern Europe. The product was smuggled in fact into the EU's northern member states, where taxes on such products are very high.

Some fraudsters try to avoid paying VAT. They targeted mobile phones in particular in nearly all EU countries last year. A criminal organization bought and sold these phones without paying VAT, which resulted in a loss of some €100 million. Coordinated action by UCLAF and the UK, Belgian, Danish, German and Spanish authorities led to the arrest of 10 persons. Large sums of money as well as numerous mobile phones were seized at the same time.

But criminal organizations are not the only ones engaged in fraud. For several years a Japanese car manufacturer exported to the EU, from Hungary, vehicles essentially Japanese in origin. The manufacturer claimed the cars were of Hungarian origin, in order to take advantage of the duty-free treatment enjoyed by Hungarian exports. In this particular case EU officials and Hungarian authorities worked closely together.

Fraudsters are also tempted by the financial aid given by the EU under its common agricultural policy and European Social Fund (ESF) in particular. In the first case, beef and veal were supposedly exported to Jordan, a destination which would entitle the exporters to refunds. The real destination was Iraq, a country subject to a trade embargo. UCLAF uncovered the fraud once it realized that the volume of shipments to Jordan bore no relation to local consumption.

Checks on the activities of a college in the UK, carried out by UCLAF with the help of national authorities, revealed the improper use of ESF funds. The fact is there was nothing to distinguish either the content of the ESF courses or the student taking them from the college's normal activities. Checks are being extended to another 20 colleges in the UK.

European and national officials have estimated that of the cases of fraud uncovered during the course of the year, roughly 25% of the sums defrauded are recovered within the year in question.

\* €1 = UK £0.64 or IR £0.79.

## **ENVIRONMENT – Taking immediate action to protect the planet**

## Europeans must change their way of life, to fight pollution more effectively.

For over two-thirds of all Europeans, the fight against pollution is a task that is both immediate and urgent, while for more than half of European Union (EU) citizens it means a change in our way of life and the development of our continent. The majority of Europeans feel they are sufficiently well informed to be able to act in environment-friendly ways in their daily lives. Many who are already doing what they can, are strongly critical however of what the authorities are doing.

These are among the findings of a special Eurobarometer poll carried out in May and June. Fewer than one in four in the EU regard the fight against pollution as a problem for the future, and only one in 25 feel that pollution is not really a problem. But environmental protection is not viewed with the same sense of urgency in all EU countries. While 90% of Greeks consider the problem to be an immediate one, their sense of urgency is shared by just over half of those polled in France. On the whole, the Europeans who are most convinced of the urgent need for an "ecological" combat are in the 25-54 age group. They are rather well-educated and have above-average incomes.

Eight Europeans out of 10 feel they are living on an endangered planet. A majority of people throughout the EU think that we must change our way of life. This is more true of employees and executives than of other professional categories. A mere 10% of Europeans believe that human activities are not harmful to the environment.

Europeans are most concerned about air, water and soil pollution, which they rank just ahead of the destruction of the ozone layer when considering environmental problems in general. But traffic problems, followed by air pollution, are their chief preoccupations at a purely personal level. The Greeks are most worried, the Dutch the most relaxed.

In the EU as a whole, women and the very highly educated are more likely to claim to be the most concerned about environmental pollution. As for the environmental problems which threaten our health, chemical substances rank first.

Europeans claim to be rather poorly informed about environmental questions. Most look primarily to television for information, and somewhat less to the print media. While hardly one European out of four has confidence in the media in general when it comes to environmental problems, one in two trust environmental protection bodies. However, some 60% of those polled admitted they made no particular effort to keep themselves informed of environmental issues.

Even so, none of this prevented Europeans from claiming to know enough to be able to act responsibly, a feeling that was shared by inhabitants of the northern half of the EU and Austria in particular. It was here, and more especially in Germany, that one found the largest number of people who claimed they saved on electricity and water, sorted their household waste, bought organic products and goods whose packaging can be recycled.

In future two Europeans out of three would be ready to pay more for certain products in order to protect the environment. Food tops this particular list, followed by water. But people are much less keen to pay more for other goods and services, including cars, motorcycles and air travel.

The vast majority of Europeans feel that the authorities are not acting effectively, whether it is at the local, regional, national, European or global level. What is more, they are even more critical of the authorities in this matter than they were four years ago, when they were polled on this subject.

What do the EU's citizens proposie? Nearly half of them are in favour of stringent anti-pollution regulations, backed up by large fines. In order to solve urban problems the majority favours, firstly, better public transport and, secondly, more areas set aside for pedestrian use, ahead of the quality of the air we breathe and the food we eat, while climate change and noise are at the bottom of the list.

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Mailed from Brussels X