

EUROPEAN UNION



Europe
on the move



Bundesbildstelle, Bonn

In mid-February 1992, some 40 years after the birth of the European Community in the early 1950s, the 12 Member States signed the Treaty on European Union in Maastricht. It was only in October 1993 that ratification was completed, and the Treaty came into force in November 1993.

Shared institutions and the pursuit of common goals have strengthened European cooperation, extending it gradually to new areas of economic and social life and, in the process, bringing States and individuals closer together.

At the beginning of 1993 the integration process reached a new stage with the completion of the internal market for 345 million citizens. Persons, goods, services and capital are now able to move freely within the Community, unobstructed by frontier controls.

The Treaty on European Union gives the Community new powers. It provides benefits for the man in the street by introducing Union citizenship. The powers of the European Parliament are extended and the democratic deficit is reduced.

'Europe must look to itself economically, politically and culturally. Each Member State must come to realize that the European area, the web of dialogue and cooperation between us, will enable us to regain our strength and hence our identity.'

Jacques Delors,
President of the
European
Commission



EKA

Hence the explicit statement in the new Treaty that the Community may take action only if it is better able to achieve the objectives than a Member State or region (the much-talked-about principle of subsidiarity).

NEW POWERS FOR THE EUROPEAN COMMUNITY

More and more matters directly affecting everyday life can now only be dealt with by the Member States working together. This is why the Community has been given further powers. These new areas include health protection, enabling the Twelve to join forces to combat diseases such as cancer or AIDS. The Community will also play a more active role in consumer protection. The competitiveness of Community industry on the world market will be strengthened through a common policy and an increase in research and development. Greater importance is to be placed on environmental protection. The Community will contribute to the establishment of trans-European transport, telecommunications and energy networks to bring the Member States closer together. A common visa policy has been introduced to help the Community partners get to grips with the problem of rising immigration from non-member countries. This had to be done, if only because checks on individuals travelling between Community countries are to be abolished (an important measure planned for 1993). Other areas in which the Community's powers have been extended include relations with developing countries, education and culture.

The Member States have also agreed to step up cooperation in the fields of justice and home affairs. The main focus of attention here is to combat international crime, such as drug trafficking. However, except for visa policy, this

European Union belongs to Europe's young. They should therefore learn about the European Community while at school. They will then know what they are doing when, later, they take part in Europe's democratic routines.

By 1999 at the latest, there will be a currency union with the ecu as the common currency. A new fund will redress economic imbalances, in particular between north and south. To enable the interests of the Community as a whole and of its Member States to be better represented on the world stage, the Economic Community is to be expanded into a political union with a common foreign and security policy.

Despite the new powers conferred on the Community, the diversity of the Member States and their regions which has developed over the years will be preserved in the Union and any unnecessary centralization avoided.



EKA

Specific Community measures will support and complement the consumer protection policies of the Member States.

area does not yet fall within the jurisdiction of the Community, remaining for the time being a matter for cooperation between the governments of the Member States.

Social policy, too, is to be developed further at Community level, although for the time being the United Kingdom will not be taking part. In 1989 the UK was the only Member State not to sign the Charter of the Fundamental Social Rights of Workers. Hence the special agreement reached in Maastricht authorizing the other 11 to use the Community decision-making procedures and institutions provided for in the EC Treaty in their attempts to make further progress in the field of social policy.

A PEOPLE'S UNION

The top priority of the European Union is to benefit the man in the street by abolishing internal frontiers, by introducing a single currency, and by conferring new powers on the Community. In addition to this, the Union Treaty introduces important citizens rights, including the right to reside in any Member State and the right for citizens of the Union residing in a Community country other than their own to vote and to stand as candidates in municipal and European elections.

The Treaty also entitles Union citizens in a non-member country in which their State of origin does not have an embassy or consulate to claim the diplomatic or consular protection of any other Community State in the same way as its own nationals. The right to petition the European Parliament and the right to refer to an ombudsman appointed by Parliament are also guaranteed.

Denmark will not participate in the development of Union citizenship. But Community citizens living in Denmark will still be able to vote and stand for office in local elections, and voting rights for elections to the European Parliament will be introduced.

'Our Community is the fruit of history and necessity but of political will too.'

*Jacques Delors,
President of the
European
Commission*

Bundesbildstelle, Bonn



With a common visa policy the Member States of the Community are hoping to bring the rising immigration from non-member countries under control.

After the single market, European Union

After seven years of effort, the European Community set up the single market at the beginning of 1993. It enshrined four fundamental principles: freedom of movement for persons, goods, services and capital. Now that the single market has been achieved, there is no reason why the objectives of European Union too should not be achieved before the year 2000.

The single market has removed most of the economic barriers between Member States:

- All European citizens have the right to move freely from one Member State to another.
- There are no longer any customs controls on the Community's internal borders (between Member States).
- Travellers may buy as many goods as they wish in any Community country for their own or their family's use, provided that they pay the appropriate tax on the goods in the country of purchase. In the case of tobacco and alcoholic drinks, indicative quantities for import are: 800 cigarettes, 400 cigarillos, 200 cigars, 1 kg of tobacco, 90 litres of still wine, 110 litres of beer, 10 litres of spirits, 20 litres of fortified or sparkling wine. Larger quantities may be imported if proof is provided that the goods are for private use. For travellers to Denmark the following limits will apply until 31 December 1996: 300 cigarettes, 150 cigarillos, 400 g of tobacco, 1.5 litres of spirits. Residents of Denmark who have been out of the country for less than 36 hours may import only 100 cigarettes and no spirits.
- The single market ensures safety for all Community citizens through active cooperation between Member States at all levels.
- Community citizens may take up residence in a Member State other than their own for as long as they wish.
- Professional qualifications are mutually recognized in all Member States.
- Common policies are framed in the interests of all citizens.

INCREASED POWERS FOR PARLIAMENT

The European Community needs to be more democratic. The shifting of more and more decisions and responsibility from the Member States and their national parliaments to the Community without adequate strengthening of parliamentary control at European level has produced the much criticized 'democratic deficit'. It is to counter this that the powers of the European Parliament have now been increased.

The new co-decision procedure now gives Parliament a full role to play alongside the Council of the European Union in the enactment of legislation in certain areas. These include completion of the internal market, freedom of movement for workers, and some aspects of the right of establishment, as well as new initiatives on the environment and consumer protection, public health, culture, and the establishment of trans-European transport, energy and telecommunications networks. If the Council and Parliament are unable to agree on a Community regulation or directive, a compromise has to be found by a special Conciliation Committee, on which both institutions are equally represented. Parliament has also been given the right to approve the Commission prior to its appointment. Starting in 1995, so that this right can be exercised more effectively, the Commission's term of office is to be extended from four years to five to coincide with the life of Parliament. Major international agreements with important implications for the budgetary situation or the legislation of the Community now require the assent of Parliament. Finally, Parliament may now set up committees of inquiry, hear petitions from individuals, and appoint an ombudsman.

But there is still a long way to go before Parliament has full legislative powers.

The intergovernmental conference to be convened in 1996 will discuss further moves in this direction.

THE ECU — A SINGLE CURRENCY

By the turn of the century, the people of Europe will have a single currency, the ecu. The inconvenience and expense of changing money will be a thing of the past. The final stage of economic and monetary union (EMU) is to start by the beginning of 1999 at the latest. The exchange rates of the Member States' currencies will be irrevocably fixed, paving the way for the introduction of the ecu to replace national coins and banknotes. In 1996, however, the Council is to determine whether the conditions for the final stage of EMU have not been achieved already.

The Member States have agreed a three-stage plan for the attainment of EMU. The first stage, which involves the large-



Jean Guysaux

scale easing of restrictions on capital movements and closer economic policy coordination, began in mid-1990. The second stage started at the beginning of 1994 with the establishment of a European Monetary Institute. Its main purpose is to pave the way for transition to

Only cross-frontier action to prevent the importation of drugs has any chance of success.

What's new in the Treaty on European Union?

- **A common European currency by 1999 at the latest.**
- **Rights for European citizens (Union citizenship).**
- **New powers for the European Community:**

A more active role in consumer protection; public health; visa policy; the establishment of trans-European transport, telecommunications and energy networks; Treaty provision for development cooperation; industrial policy; education; culture; greater importance for environmental protection; an increase in research and development, further progress on social policy (with the exception of the United Kingdom); cooperation in the fields of justice and home affairs.

- **Increased powers for the European Parliament:** Involvement in the enactment of legislation; right of approval prior to appointment of the Commission; power of assent for all major international agreements.
- **Introduction of a common foreign and security policy.**

the final stage through closer alignment or convergence of the economic policies and the economies of the Member States. The European Monetary Institute has been set up, to be followed in the final stage by the establishment of a European Central Bank responsible for monetary policy. The future European currency must be stable. Consequently, the primary economic objective written into the new Treaty by the Member States is price stability. Responsibility for maintaining this stability will lie primarily with the European Central Bank (ECB), which under monetary union will form, together with the central banks of the Member States, the European System of Central Banks (ESCB) and will be responsible for a single monetary policy. The ECB and the central banks may neither seek nor take instructions from politicians. They may not provide credit facilities to governments running a budget deficit.

The economic policies of the Member States must also be geared to the stability of the European currency. Excessive budget deficits, which boost inflation, are to be avoided. If they do occur, the Community may issue warnings and impose fines or other sanctions. Only Member States with sound national economies, and above all price stability and sound public finances, may move on to the final stage of EMU. The United Kingdom was unable to commit itself to moving to the final stage of EMU, and Denmark will definitely not be participating in the final stage.

ECONOMIC AND SOCIAL COHESION

Political union and economic and monetary union can only be achieved in the Community if, just as in an individual State, the wealthy regions show solidarity with the less wealthy ones and help gradually reduce the economic disparities. The Community's Structural Funds (the European Social Fund, the European Regional Development Fund and the European Agricultural Guidance and Guarantee Fund) and the European Investment Bank are already working towards this goal — known in Community jargon as economic and social cohesion. The Union Treaty reaffirms the need for economic and social cohesion and considerably strengthens the existing measures. A new Cohesion Fund has been set up alongside the existing Funds to help finance environmental protection projects and major transport links in the less prosperous countries. The Community will also be more flexible in future when it comes to allocating structural resources and will take account of the budgetary situation of the less prosperous Member States. The Community revenue system is also to be made more sensitive to the ability to pay of the countries lagging behind economically.



Bundesbildstelle, Bonn

'Citizen of Europe' — European citizenship bestows certain rights, including the right to vote and to stand as a candidate in municipal elections.

The Treaty on European Union increases the help to be given by the wealthier regions of the Community to less favoured regions. A new 'Cohesion Fund' has been set up to complement the work of the existing budgetary Funds.

Fulvio Raiter



A Committee of the Regions has been set up to give the regions a part to play in the Community. The Committee consists of representatives of regional and local bodies.

A COMMON FOREIGN AND SECURITY POLICY

Primarily an economic power up to now, the European Community has had only limited scope for joint decision-making on foreign policy matters within European political cooperation. To promote the identity of the European Union and better represent the interests of its members on the international stage, a common policy is being developed to cover all areas of foreign and security policy, eventually to include defence.

Denmark will not participate in formulating and implementing a common defence and security policy.

General foreign and security policy guidelines are to be laid down by the European Council (consisting of the Heads of State or Government of the Member States). On the basis of the

guidelines, the Council of the European Union can decide whether a matter should be the subject of joint action; this then commits the Member States in their positions and conduct on the international stage. Although foreign policy action must be adopted unanimously, the Council can lay down certain areas in which implementing decisions can be taken by qualified majority (i.e. under a system whereby individual Member States have a different number of votes depending on their size). The areas proposed for joint action in the first instance are:

- (i) the CSCE process (Conference on Security and Cooperation in Europe, a common European security system which has grown up since the 1970s);
- (ii) the policy of disarmament and arms control in Europe, including confidence-building measures;
- (iii) nuclear non-proliferation issues;

'The Community cannot replace the Member States, or regional and local authorities, or workers and employers. That would go against the most deeply rooted traditions in some countries. It would even run counter to our ultimate goal. We cannot build Europe — in economic, regional and social terms — from the top down; we have to build from the bottom up. That is why the Commission attaches so much importance to the principles of subsidiarity, partnership and a step-by-step approach. The trend then, is away from centralization towards a wider sharing of responsibilities.'

Jacques Delors,
President of the
European
Commission

(iv) the economic aspects of security, in particular control of the transfer of military technology to non-member countries and control of arms exports.

This list will be added to in due course.

Security policy in Europe was previously primarily a matter for NATO, the Atlantic Alliance. Its members are the USA, Canada, all the Community countries except Ireland, and three other European States (Turkey, Norway and Iceland). A further mutual assistance pact, the Western European Union (WEU), was formed in Europe after the Second World War. All the Community countries except Greece, Denmark and Ireland are members. The WEU is now to be developed as the defence arm of the Community, formulating and implementing a common European defence policy and working in cooperation with NATO. Greece, Denmark and Ireland have been invited to join the WEU, and Turkey, Norway and Iceland are to have closer ties as associate members. The Community will convene an intergovernmental conference in 1996 to discuss further steps towards a common foreign and security policy.

And so, some 40 years after its birth, the European Community is now steering a steady course towards European Union.



EN

This leaflet appears in all the official Community languages — Spanish, Danish, German, Greek, English, French, Italian, Dutch and Portuguese.

European Commission

Directorate-General for Information, Communication, Culture and Audiovisual Media

Editor: Publications Unit, rue de la Loi 200, B-1049 Brussels

Manuscript completed in November 1993

Cover photo: EKA

© ECSC-EEC-EAEC, Brussels • Luxembourg, 1993

Reproduction is authorized, except for commercial purposes, provided the source is acknowledged.

Printed in the United Kingdom

COMMISSION OFFICES

Office in Ireland

39 Molesworth Street, Dublin 2 — Tel. 671 2244

Office in England

Jean Monnet House, 8 Storey's Gate, London SW1P 3AT —
Tel. 71-973 1992

Office in Wales

4 Cathedral Road, Cardiff CF1 9SG — Tel. 371631

Office in Scotland

9 Alva Street, Edinburgh EH2 4PH — Tel. 225 2058

Office in Northern Ireland

Windsor House, 9/15 Bedford Street, Belfast BT2 7EG —
Tel. 240 708

**Information services
in the USA**

2100 M Street, NW, Suite 707, Washington DC 20037 — USA

Tel. (202) 862-9500

3 Dag Hammarskjöld Plaza, 305 East 47th Street,
New York, NY 10017 — USA — Tel. (212) 371-3804

Countries fully or partly English speaking. Offices also exist in other countries including all Member States.



Office for Official Publications
of the European Communities
L-2985 Luxembourg

ISSN 0379-3133

Catalogue number: CC-81-93-010-EN-D