

APPENDIX IV

SINGLE EUROPEAN ACT¹

The Single European Act (Excerpt)

Luxembourg; 17 February, 1986

The SEA, signed in Luxembourg on 17 February 1986 by the nine Member States and on 28 February 1986 by Denmark, Italy and Greece, is the first major amendment of the Treaty establishing the European Economic Community (EEC). It entered into force on 1 July 1987.

The main stages which led to the signature of the SEA were:

- the solemn declaration of Stuttgart of 19 June 1983
This text, prepared on the basis of the plan drafted by Hans Dietrich Genscher, the German Minister for Foreign Affairs and his Italian counterpart, Emilio Colombo, was accompanied by declarations by the Member States concerning the objectives to be achieved as regards inter-institutional relations, the Community's powers and political cooperation. The Heads of State and Government undertook to review the progress made in these areas and to decide whether they should be incorporated in a Treaty on European Union;
- the draft Treaty establishing the European Union
Under the impetus of the Italian parliamentarian Altiero Spinelli, a Parliamentary Committee on Institutional Affairs was created with a view to preparing a treaty replacing the existing communities by the European Union. The European Parliament adopted the draft Treaty on 14 February 1984.
- The Fontainebleau European Council of 25 and 26 June 1984.
Inspired by the Parliament's draft Treaty, an ad hoc committee consisting of personal representatives of the Heads of State and Government and chaired by the Irish senator Dooge examined the institutional questions. The Dooge Committee's report invited the European Council to convene an inter-governmental conference to negotiate a Treaty on European Union.
- The White Paper on the Internal Market of 1985
The Commission, under the impetus of its new President, Jacques Delors, published a White Paper which identified the 279 legislative measures needed to complete the internal market. It put forward a schedule and proposed a deadline of 31 December 1992.

The Milan European Council of 28 and 29 June 1985 finally proposed convening an Inter-Governmental Conference (IGC), which opened under the Luxembourg Presidency on 9 September 1985 and closed in The Hague on 28 February 1986.

OBJECTIVES

The chief objective of the SEA was to add new momentum to the process of the European construction so as to complete the internal market. However, this goal

¹ http://europa.eu/scadplus/treaties/singleact_en.htm.

was difficult to achieve on the basis of the existing treaties, notably because of the decision-making process at the Council, which imposed unanimity for the harmonisation of legislation.

This is why the Inter-Governmental Conference which culminated in the SEA had a dual mandate. It was necessary to conclude, on the one hand, a Treaty relating to common foreign and security policy and, on the other hand, an act amending the EEC Treaty, notably at the level of:

- the decision-making procedure within the Council;
- the Commission's powers
- the European Parliament's powers;
- the extension of the Communities' responsibilities.

STRUCTURE

The Act consists of a preamble and four titles and includes a series of declarations adopted by the conference.

The preamble states the fundamental goals of the Treaty and expresses the Member States' determination to transform their relations as a whole with a view to creating a European Union. The preamble also establishes the unique character of the act, which brings together the common provisions as regards cooperation in the field of foreign policy and the European Communities. Finally, it focuses on the two objectives of revising the treaties, i.e. "to improve the economic and social situation by extending common policies and pursuing new objectives" and "to ensure a smoother functioning of the Communities".

Title I contains provisions common to political cooperation and the European Community. Title II is devoted to amendments of the treaties establishing the European Communities and Title III to European cooperation in the field of foreign policy. Title IV concerns general and final provisions.

CONTRIBUTIONS OF THE TREATY - INSTITUTIONAL CHANGES

To facilitate the establishment of the internal market, the act provides for increasing the number of cases in which the Council can take decisions by qualified majority voting instead of unanimity. This facilitated decision-making and avoided the frequent delays inherent to the search for a unanimous agreement among the twelve Member States. Unanimity is no longer required for measures designed to establish the Single Market, with the exception of measures concerning taxation, the free movement of persons, and the rights and interests of employed persons.

The SEA established the European Council, which formalises the conferences or summits of the Heads of States and Government. However, the competencies of this body are not specified. The European Council has no decision-making powers or powers of constraint vis-à-vis the other institutions.

Parliament's powers were enhanced by including the requirement of Parliament assent when concluding an association agreement. Besides, the act institutes the cooperation procedure, which reinforces the position of the European Parliament in interinstitutional dialogue and gives it the possibility of two readings of the proposed legislation. However the scope of application of this procedure remained limited to cases in which the Council acts by qualified majority, with the exception of environmental matters.

The Act clarifies existing provisions concerning implementing powers. Article 10 amends Article 145 of the EEC Treaty, providing, as a general rule, that the Council confer on the Commission powers for the implementation of the rules which the Council lays down. The Council can only reserve the right to exercise directly implementing powers in specific cases. The SEA creates the foundations for the Court of First Instance (CFI). All cases may be transferred to this court with the exception of preliminary rulings requested by the Member States or the institutions as well as references for preliminary rulings.

CONTRIBUTIONS OF THE TREATY - POLITICAL CHANGES

Article 8A clearly defines the objective of the Act, which is to progressively establish the internal market over a period expiring on 31 December 1992. The Single Market is defined as "an area without internal frontiers in which the free movement of goods, persons, services and capital is ensured in accordance with the provisions of this Treaty".

As regards monetary capacity, the Act does not permit the implementation of a new policy, but proceeds to insert provisions on monetary capacity. The convergence of economic and monetary policy already belongs in the framework of existing powers.

Social policy is already regulated by the EEC Treaty, but the act introduces two new articles in this area. Article 118A of the EC Treaty authorises the Council acting by a qualified majority in the framework of the cooperation procedure to take the minimum requirements with a view to "encouraging improvements, especially in the working environment, as regards the health and safety of workers". Article 118B of the EC Treaty entrusts the Commission with the task of developing dialogue between management and labour at European level.

The Act establishes a Community policy of economic and social cohesion to counterbalance the effects of the completion of the internal market on the less developed Member States and to reduce development discrepancies between the regions. The Community intervenes via the European Agriculture Guidance and Guarantee Fund (EAGGF) and the European Regional Development Fund (ERDF).

As regards research and technical development, Article 130F of the EC Treaty establishes the objective "to strengthen the scientific and technological basis of European industry and to encourage it to become more competitive at international level". To this end the act provides for the implementation of framework multiannual programmes adopted unanimously by the Council.

Concern for environmental protection at Community level is already reflected in the Treaty of Rome. The act adds three new articles (Articles 130R, 130S and 130T of the EC Treaty) which permit the Community "to preserve, protect and improve the quality of the environment, to contribute towards protecting human health, and to ensure a prudent and rational utilization of natural resources". It specifies that the Community can only intervene in environmental matters when this action can be attained better at Community level than at the level of the individual Member States (subsidiarity).

Article 30 provides that Member States must endeavour jointly to formulate and implement a European foreign policy. To this end they undertake to consult one another on questions of foreign policy that might be relevant to the security of the

Member States. The presidency of the Council is responsible for initiating action and coordinating and representing the positions of the Member States in relations with third countries in this area.

THE SEA: REVIEW AND PERSPECTIVE

The SEA provided for the transformation of the Common Market into a single market on 1 January 1993. By creating new Community competencies and reforming the institutions the SEA opened the way to political integration and economic and monetary union to be enshrined in the Treaty of Maastricht on the European Union.

AMENDMENTS TO THE TREATY

- **Treaty on European Union, known as the "Maastricht Treaty" (1992)**

The Maastricht Treaty brought the three Communities (Euratom, ECSC, EEC) and institutionalised cooperation in the fields of foreign policy, defence, police and justice together under one umbrella, the European Union. The EEC was renamed, becoming the EC. Furthermore, this Treaty created economic and monetary union, put in place new Community policies (education, culture, cooperation and development) and increased the powers of the European Parliament (codecision procedure).

- **Treaty of Amsterdam (1997)**

The Treaty of Amsterdam increased the powers of the Union by creating a Community employment policy, transferring to the Communities some of the areas which were previously subject to intergovernmental cooperation in the fields of justice and home affairs, introducing measures aimed at bringing the Union closer to its citizens and enabling closer cooperation between certain Member States (enhanced cooperation). It also extended the codecision procedure and qualified majority voting and simplified and renumbered the articles of the Treaties.

- **Treaty of Nice (2001)**

The Treaty of Nice was essentially devoted to the "leftovers" of Amsterdam, i.e. the institutional problems linked to enlargement which were not resolved in 1997. It dealt with the make-up of the Commission, the weighting of votes in the Council and the extension of the areas of qualified majority voting. It simplified the rules on use of the enhanced cooperation procedure and made the judicial system more effective.

- **Treaty establishing a Constitution for Europe (2004)**

The Constitution repeals and replaces by a single text all the existing treaties with the exception of the Euratom Treaty. This text consolidates 50 years of European treaties. The Constitutional Treaty was signed on October 2004 and enters into force on 1 November 2006, after ratification by all the Member States.

This Treaty has also been amended by the following treaties of accession:

- **Treaty of Accession of Austria, Finland and Sweden (1994)**

This treaty increased the number of Member States of the European Community to 15.

- **Treaty of accession of Cyprus, Estonia, Hungary, Latvia, Lithuania, Poland, the Czech Republic, Slovakia and Slovenia (2003)**

This Treaty increased the number of Member States of the European Community from 15 to 25.