

EDITORIAL COMMENTS

The Delors package: The result of a successful Commission strategy

Four articles in this issue are devoted to the Delors package, approved in principle by the European Council of 11-13 February 1988. David Williamson, Emil Noël's successor and the Commission's main negotiator in the Permanent Representatives Committee, makes an overall assessment of the European Council's decisions. Lars Kolte, Philip Lowe and Graham Avery analyse the three most important items of the Delors package – the new financial rules, the reform of the structural policies and the changes to the Community's common agricultural policy. Each of these authors attended the negotiations in person and made an important contribution to their content and to their successful conclusion.

The Delors package is even more extensive than it appears from the articles in this publication. A further important item was added shortly before the end of the German Presidency and will be dealt with in a separate article in a forthcoming issue – the interinstitutional agreement between Parliament, the Council and the Commission. This agreement is far more important than media coverage suggests. Parliament endorses the conclusions reached by the European Council of February 1988 as regards the Community's finances. The Institutions responsible for budget planning have agreed on a multiannual financial framework which should ensure that the important years leading up to 1992 are spared any disputes between Community Institutions. Acceptance of the Delors package by the European Council and the agreement on Feb-

ruary's decisions of principle have thus cleared the path towards the strategic goal of completing the internal market – the frontier-free area – by the end of 1992.

The Commission, headed by Jacques Delors, can pride itself on an exceptional record. Since January 1985 it has passed four important milestones. The logical link between three of them is so close that together they can be described as the strategy of the Delors Commission.

The first of the four milestones has been pushed into the background by the spectacular success of the three others even though it was an event of historical importance: the agreement on the integrated Mediterranean programmes paved the way for the conclusion of the accession negotiations with Spain and Portugal, which both joined the Community a few months afterwards. Their integration is proceeding with astonishingly little friction, a welcome change from events surrounding previous enlargements.

As important as the conclusions of the accession negotiations and the entry of Spain and Portugal might be, life in the Community has been dominated by another event since the beginning of 1985. In January 1985 Jacques Delors outlined to the European Parliament the new Commission's priorities. The central feature was the ambitious internal market project – the creation of a frontier-free economic area by the end of 1992. A few months later the Commission submitted the related legislative programme, the famous 300 instruments drawn up under the responsibility of Lord Cockfield. The Milan European Council approved the programme in principle at the end of June 1985.

The same European Council also prepared the next stage, which led six months later to adoption of the Single European Act. The European Council was here responding to the political pressure produced by the Spinelli report and Parliament's draft treaty on the European Union. The political success of the negotiations lay in the skillful diversion of this pressure in another direction – the Commission's internal market project. Parliament's comprehensive institutional initiative was made to work for the internal market project. The Single European Act created the institutional conditions for establishing a frontier-free area by the end of 1992: with it the Council's decisions-making procedures can be faster and more efficient; Parliament is given more say in the legislative

procedure. The Community's area of competence is barely extended, however. In the final analysis, the Single European Act is thus a reform restricted to simplification and democratisation of decision-making procedures although this is not particularly obvious from the outside.

What still remained was to give the Community the necessary funds for financing the support policies required to implement the internal market project. The additional own resources yielded by the decision of the Fontainebleau European Council in June 1984 to increase the VAT ceiling from 1% to 1.4% proved inadequate only one year after the measure took effect. The Community's financial rules had therefore to be changed again. This change was far more complicated than the one which had led to the Fontainebleau decision after over four years of negotiations. It covered not only all the problems dealt with in the previous negotiations but also completely new ones arising mainly from enlargement of the Community to twelve Member States and the need for solidarity between prosperous and less prosperous Member States. The Delors package, submitted in February 1987 in "Making a success of the Single Act", addressed these problems, with an analysis and proposed solutions. Just a year later the European Council managed to reach agreement on all aspects of the package. The third stage of the present Commission's strategy for completing the large internal market was thus completed.

The successful implementation under the German Presidency of February's basic policy decisions enabled the Hanover European Council to turn all its attention to the future of the Community. With the reappointment of the current Commission President it should now be possible to continue the internal market project resolutely and without interruption.

New prospects have also appeared.

The Community must pay more attention to workers' interests. The large internal market has to be a social internal market. The Community is committed to having a human face.

In the long term a large internal market is not conceivable without a common currency. The European Council has therefore set up a committee chaired by the Commission President to study and propose "concrete stages leading towards economic and monetary union". The com-

mittee's report is to be presented to the Madrid European Council in June 1989. It is to be hoped that this procedure will pave the way for a new stage of the internal market strategy.