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THIRD REPORT FROM THE COMMISSION

TO THE COUNCIL AND THE EUROPEAN PARLIAMENT

on the implementation of the Commission's White Paper on completing the internal market

CONTENTS

| INTRODUCTION | 4 |
|--|----|
| | 4 |
| Impact of the 1992 deadline | 4 |
| The White Paper Programme : clear and irreversible | 5 |
| The Single European Act | 7 |
| THE OVERALL PICTURE | 9 |
| The Commission | 9 |
| The Council | 11 |
| The European Parliament | 13 |
| PROGRESS TOWARDS THE OBJECTIVES OF THE WHITE PAPER | 14 |
| 1. Abolition of frontier controls on goods | 14 |
| The Simplification of Controls | 14 |
| The Abolition of Controls | 14 |
| 2. Freedom of movement and establishment | |
| for people | 16 |

| з. | Technical harmonization and standards | 18 |
|----|--|-----|
| | Implementation of the new approach | 18 |
| | Sectoral approximation of laws | 19 |
| | a) Motor vehicles | 19 |
| | b) Tractors and agricultural machines | 1,9 |
| | c) Food law | 20 |
| | d) Pharmaceuticals and high technology | |
| | medicines | 20 |
| | e) Chemical products | 21 |
| | Prevention of new technical barriers | 21 |
| | Harmonization of technical regulations | 21 |
| | New technologies | 22 |
| 4. | Opening up of public procurement markets | 23 |
| 5. | Services | 24 |
| | Financial services | 24 |
| | Transport | 26 |
| 6. | Liberalization of capital movements | 27 |
| 7. | Creation of suitable conditions for | |
| | industrial cooperation | 28 |
| | Company law and taxation | 28 |
| | intellectual and industrial property | 28 |
| 8. | Removal of fiscal frontiers | 29 |
| | | |
| CO | NCLUSION | 32 |

ANNEXES

INTRODUCTION

1. The immense advantages in economic, social and political terms of the completion of the internal market have been demonstrated so often and so clearly that it is unnecessary to stress them once again. This is a programme which is directed to the future – the future of Europe, the future of its citizens, the future of every one of us. Mr. Paolo Cecchini's major study entitled "THE EUROPEAN CHALLENGE: 1992", due to be published very shortly, will point up in convincing and carefully researched detail the advantages and opportunities now being opened up and the self-imposed costs of falling to complete the programme.

Impact of the 1992 deadline

2. Less than three years have passed since the Community adopted the White Paper programme for the completion of the internal market by 1992. Yet the date 1992, and the programme of 300 legislative initiatives aimed at the complete abolition of existing barriers to free circulation of goods, services, people and capital within the Community, are already becoming an established part of the expectations of individuals, enterprises and the Governments of the Member States.

- 3. Following the publication of its White Paper in June 1985, the Commission undertook to present a detailed progress report each year on the implementation of the White Paper. This is the third such annual report.
- 4. The Commission will also be submitting to the Council before the end of 1988 the major report required by the Single European Act on progress made towards achieving the internal market within the time limit of 31 December 1992. In view of this, the present report is shorter and less detailed than it would otherwise have been.

The White Paper programme: clear and irreversible

- 5. The White Paper explains fully the objectives behind the many individual measures timetabled for adoption throughout the period up to 1992. In addition, the White Paper programme has deliberately been weighted to concentrate activity in the earlier years so as to make the shape of the final structure apparent at the earliest possible stage.
- 6. More recently, the Commission has also decided to help ensure the irreversibility of the programme by tabling virtually all the necessary proposals (with certain exceptions in the plant and animal health sector) by the end of this year, thereby leaving the Council and the Member States four clear years in which to act on them. The Commission is already more than two-thirds of the way towards achieving the objective it has thus set itself.

- 7. At its meeting in Brussels in June 1987, the European Council underlined the importance of the work carried out since the publication of the White Paper. In order to ensure that the 1992 deadline is met, the European Council requested the relevant Councils to take full advantage of the improvement in the decision-making process brought about by the Single Act. It requested the institutions concerned to take the necessary decisions with regard, in particular, to public procurement, the approximation of standards, liberalization of capital movements, insurance, and the mutual recognition of diplomas. It also urged the institutions to make swift progress on the company law adjustments required for the creation of a European company. The Council stated that it would like these decisions to be taken with all possible speed and in any event before the end of: 1988 so that the attainment of the 1992 objective could be seen to be irreversible.
- 8. The Commission and the Council are thus both aiming to make the White Paper programme irreversible and build up a momentum which will ensure that the 1992 objective is achieved.

- 9. Since the 1987 progress report, the entry into force on 1 July 1987 of the Single European Act, ratified by the Parliaments of all Member States, has given added strength both to the objective and to the comprehensiveness of the programme set out in the Commission's White Paper. The Single Act both confirms the target date of 31 December 1992 and defines the internal market 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." The Commission's White Paper was further endorsed by a specific mention in the intergovernmental Conference's declaration on Article 8A of the Single Act.
- 10. Two factors have contributed to slower progress over the last year than the Commission would have liked to see: first, the delay in the entry into force of the Single Act has meant that the move to more voting by qualified majority in the Council is only just beginning to speed up the pace of adoption of White Paper proposals; secondly, the Council's reluctance in some cases, despite the commitment at the intergovernmental Conference, to delegate implementing powers to the Commission has prevented the adoption of a number of proposals which were otherwise ready. This is a matter which lies within the power of the Council itself to put right.
- 11. As a general comment on progress since the last report, the Commission, while still not satisfied by the pace at which the Council is adopting the many proposals on its table, can

nevertheless draw satisfaction from the fact that in a number of important areas with real impact, valuable progress has been made and significant proposals either have been or should soon be adopted. Examples include air transport; vehicle emissions; the first "new approach" directives in the standardisation field (pressure vessels and toys); insurance; the first components of the public procurement package; the liberalization of capital movements; pharmaceuticals and high technology medicines; and pan-European mobile telephones.

THE OVERALL PICTURE

The Commission

- 12. The Commission has, to date, presented 208 proposals to the Council. These include some of the most important elements necessary for the completion of the internal market. Moreover, in most sectors the Commission is broadly up to date with its programme. In the plant and animal health sector, however, delays have arisen owing to the size of the task and the lack of administrative resources to achieve it.
- 13. Since the White Paper was published some up-dating of the programme has become necessary. Additional proposals not originally foreseen in the White Paper have been introduced with a view to preventing the formation of new barriers to trade and to competition in new sectors, for example in the telecommunications sector. In other fields, a number of proposals and planned initiatives have been withdrawn from the programme as they have become outdated or overtaken by alternative strategies that have been developed since the White Paper was published. For example, a number of fiscal proposals have been withdrawn. The changes made to the programme are reflected in the annexes attached to this Report.
- 14. Furthermore, on the basis that the internal market programme should be limited to those proposals which are directly relevant to the abolition of physical, technical and fiscal frontiers, the Commission has excluded from the annexes

any proposal which relates solely to the continuing management of Community policies. The net effect of these various changes is to produce a programme consisting of 286 proposals, which is slightly smaller than the 300 proposals in the original White Paper.

- 15. Although the purpose of this report is to present an up-to-date picture of progress in implementing the programme set out in the Commission's June 1985 White Paper, attention should also be drawn to a number of important related Commission initiatives which, whilst not forming part of the White Paper programme itself, nevertheless provide valuable parallel support for it; notable examples of such initiatives include:
 - (i) Social aspects: The Commission has recently presented a major communication on the social dimension of the internal market, designed to provide the basis for a debate among all the social partners and the Member States.
 - (ii) Small and medium sized enterprises: The Commission has presented and will present proposals designed to help small and medium sized enterprises prepare themselves for 1992 in accordance with the Action Programme adopted by the Council on 3 November 1986.

(III) Mergers: The Commission recently submitted an amended proposal (doc. COM(88)97) on the control of concentrations between undertakings. The proposal aims to enhance cross-border cooperation and the Commission looks to the Council to adopt it no later than the end of 1988.

The Council

16. The Council has to date adopted 69, and has partially adopted a further 6, internal market proposals. A further 126 proposals remain on the Council table, on 14 of which the Council has already reached a common position. These figures highlight the imbalance between the pace of the Commission's work in presenting proposals to the Council, and that of the Council l n adopting those proposals. The Commission disappointed that so many proposals remain on the Council's table in spite of the political and Treaty commitment by the Heads of State and Government to achieve the single market by 1992. However, delays in the work of the Council can be partly explained by the way the decision-making process under the Single Act works: the initial effect, caused by the two-reading Cooperation Procedure with the Parliament, is to slow the process down; this will subsequently be more than compensated by the advantages of qualified majority voting in the Council. The most notable progress recently has been in the sectors concerning the new approach to technical harmonization, vehicle exhaust emissions, pharmaceuticals, non-life insurance and air transport.

17. The main area of slippage in the legislative programme of the Council, as in the Commission, continues to be the plant and animal health sector, where 17 proposals remain on the One of the major reasons for this delay has been the problem of the legal base, and it is therefore expected that the Council's work will be accelerated following the judgment of the Court of Justice in the "hormones" case. There is also a major blockage affecting the proposals concerning harmonised health and marketing requirements for foodstuffs and drinks, owing largely to fallure of the Council to follow the lines laid down by the Heads of Government on the delegation of implementing powers to the Commission in this area. There has also been no progress on the main proposals concerning the free movement of individuals, namely the easing of frontier controls and the introduction of a general right of residence. As far as right of establishment is concerned, however. the Commission hopes that the Council will soon reach agreement on the mutual recognition of higher education diplomas, which would mark a major step forward towards the White Paper's objectives. There have also been delays affecting individual proposals on road transport, the free provision of services (in particular transport and broadcasting) and the harmonization of both company taxation and the structure of indirect taxation.

18. With the increased pace of work by the Commission, the Council will come under increasing pressure to accelerate the adoption of internal market proposals in order to respect the White Paper timetable. This will be the real test of Member States' political commitment to the 1992 deadline.

The European Parllament

- 19. The workload of the European Parliament has been significantly increased by the introduction of the new Cooperation Procedure. The Commission's output of internal market proposals will add to that workload.
- 20. One of the main consequences of the new Procedure is the need for greater synchronisation between the work of the European Parliament and the Council. The close relationship between the various stages in the new Procedure has already been highlighted by the recent progress of a number of internal market proposals. Delays have been caused on some of these by the length of time the European Parliament can take to deliver its Opinions. The Commission understands the desire of the Parliament to do a thorough job but the need for rapid progress should also be taken into account. And the Parliament's task has not made been easier by the occasional tendency of the Council systematically to reject their proposed amendments.
- 21. The European Parilament has on the whole shown a desire to ensure the smooth operation of the Cooperation Procedure. It has so far delivered 11 Second Readings on the basis of Common Positions adopted by the Council, of which 2 have since been finally adopted by the Council. The Parilament has thus demonstrated its willingness to reach mutually satisfactory understandings with the Council: this was particularly true of the vehicle exhaust emission proposals.

1. ABOLITION OF FRONTIER CONTROLS ON GOODS

The Simplification of controls

- 22. In 1987 the Council adopted one further measure on the simplification of frontier controls on goods, namely a relaxation of the obligation to produce a guarantee under the Community transit procedure. In January 1988 the Single Administrative Document entered into effect, thus radically simplifying the administrative requirements which apply to trade in goods within the Community.
- 23. Two more proposals remain before the Council, one on duty-free admission of fuel in vehicle tanks, aimed at abolishing the remaining duty levied on the fuel in the tanks of lorries crossing national frontiers, and the other which would eliminate double checking at internal frontier posts ("banailsation").

The Abolition of controls

24. With a view to the 1992 deadline, the Commission has been studying ways of steadily reducing the need under Article 115 of the EEC Treaty for national derogations from free circulation of goods. In July 1987 the Commission adopted a decision aimed at a further tightening of the criteria for Commission authorization of national derogations under Article 115. The Commission is continuing its work on ways of strengthening the common commercial policy and ensuring, where

appropriate, comparable protection on a Community basis in order finally to end the need for national disparities in import regimes and thus the need for such derogations and the frontier controls required to enforce them. The Commission is also ensuring that, where appropriate, major proposals to remove internal barriers which could also benefit third countries contain reciprocity provisions for the benefit of the Community's enterprises (for example the second banking directive, public procurement).

- 25. Various formalities also continue to be applied in relation to goods moving across intra-Community frontiers for the collection of a variety of statistics on trade flows. The Commission is working towards a definition of the statistical needs of the Community after 1992 and the development of an alternative to the present system of collection directly linked to frontier-crossing. The Commission is also working on defining the conditions for abolishing controls at intra-Community frontiers on the purchase and export of major works of art. An examination has in addition begun on ways of maintaining export controls on strategic goods without internal frontier checks.
- 26. The plant and animal health sector remains the main area of slippage in the White Paper timetable. The White Paper programme contains no less than 73 items in this sector. Progress to date has been limited to some 19 measures adopted by the Council, plus one partially adopted. A further 17 have been tabled by the Commission for Council adoption. Some 44 more are due for presentation by the Commission to the Council

in 1988. The proposals adopted in 1987 covered such matters as trade in live animals; the control of classical swine fever; guidelines for the evaluation of additives in foodstuffs of animal origin; and the conditions for acceptance of cattle for breeding purposes.

27. In order to make progress in this sector, the Commission recently defined a new approach to plant health controls (doc. COM(87)97). The aim of this new approach is to establish a harmonized system of plant health inspection and certification at the point of production in all Member States. Inspections at the points of destination within the Community will be progressively eliminated. This will ensure that only properly certified produce circulates both within each Member State and within the Community as a whole. This new approach should facilitate the removal of related frontier controls, and future proposals will be made on a similar basis in the field of animal health.

2. FREEDOM OF MOVEMENT AND ESTABLISHMENT FOR PEOPLE

28. The achievement of free movement for people in the Community requires not only the adoption of various legislative measures but the reinforcement of co-operation between national administrations as well. In the field of Community legislation, a number of proposals are already on the Council table concerning such matters as the mutual recognition of higher education diplomas, a general right of residence and the easing of border controls on nationals of the Member States. It is

regrettable that some Member States, despite the terms of the Single European Act, still contest the Community's competence where people as such are concerned.

- 29. These proposals are complemented by a further initiative, tabled by the Commission in 1987, to control the acquisition and possession of arms by individuals. The Commission also plans in 1988 to put forward two further proposals aimed at removing the need for internal frontier controls on individuals, namely those relating to the status of third country nationals and to the right of asylum.
- 30. Progress has, however, been most marked recently in the field of co-operation between national administrations. The Ministers of the interior and Justice agreed, at their informal meeting in London in October 1986, to set up a committee of senior officials, including Commission representatives, to promote cooperation between national police and Judicial authorities. In addition, the ad hoc working party on immigration, on which the Commission is represented, is making steady progress and has already achieved results in the field of visa policy. Faster progress will, however, be needed to enable the remaining controls on individuals to be abolished by 1992.

3. TECHNICAL HARMONIZATION AND STANDARDS

Implementation of the "new approach"

- 31. In 1987 the Council adopted the directive on pressure vessels, the first directive to be based on the new approach to technical harmonization. The Council has also adopted a common position on the directive on toy safety. These decisions were taken relatively quickly, providing evidence both of the political impetus behind that approach and its effectiveness in cutting down the amount of technical detail which needs to be negotiated in the Council.
- 32. Several new and important proposals were also tabled by the Commission in 1987 concerning construction products, the electro-magnetic compatibility of electrical appliances and the safety of machinery. The machinery proposal, in particular, has very wide implications for industry since it covers more than half of the machines marketed in the Community (a yearly turnover of around 100 billion ECU). New proposals will be submitted in the coming months on electro-medical equipment, personal protective devices, electronic measuring instruments and gas appliances. It is also relevant here that the Commission has recently put forward a number of proposals based on Article 118A relating to the health and safety of workers operating machines or at their place of work.

Sectoral approximation of laws

- a) Motor vehicles
- 33. Two major directives in the motor vehicle sector, relating respectively to exhaust emissions of passenger cars and exhaust emissions of commercial vehicles, were adopted in December 1987. These two directives should soon be complemented by two others dealing respectively with diesel particulates, which is presently under discussion in the Council, and exhaust emissions for smaller cars (under 1400 cc), which has recently been proposed.
- 34. The major task, however, involves completion of the long-awaited comprehensive EC type-approval for passenger cars. Three directives remain to be adopted by the Council to achieve that objective. They concern tyres, safety glass and weight and dimension requirements.
- 35. In relation to used cars, the Commission is in the course of preparing the publication, envisaged in the White Paper, concerning acceptance in other Member States of vehicles already registered in a Member State.
- b) Tractors and agricultural machines
- 36. Two directives concerning tractors and agricultural machines are under discussion within the Council and should be adopted later in the year. They will enable the remaining technical barriers in this field to be dismantled.

- c) Food law
- 37. The publication in 1985 of the Commission's proposed new policy in the foodstuffs sector (doc.COM(85) 603) was rapidly followed by the presentation of four draft directives giving effect to this new approach, relating respectively to additives in food, materials in contact with food, food for specific nutritional uses and food labelling. These are, however, currently blocked in the Council, principally because of differing views on the delegation of powers to the Commission.
- d) Pharmaceuticals and high technology medicines
- 38. Since the adoption by the Council at the end of 1986 and early in 1987 of the important package of measures on high technology medicines, the Commission has been working mainly on the question of price transparency. In this regard, the Commission has published a Communication setting out its interpretation of the compatibility of national measures of price control and reimbursement in the pharmaceutical sector with Article 30 of the Treaty.
- 39. Meanwhile, the proposed Directive on pharmaceutical pricing remains under negotiation in the Council. At the end of 1987 the Commission also put forward its proposal to extend the scope of existing directives to products not yet covered.

- e) Chemical products
- 40. Most of the proposals on chemical products scheduled in the White Paper have already been adopted. A further major proposal on the classification, labelling and packaging of dangerous preparations has already been approved by the Council and now awaits the Second Reading of the European Parilament. The proposals dealing with chemical fertilizers are also expected to be adopted in 1988.

Prevention of new technical barriers

41. The prevention of new technical barriers should be further developed through the final adoption, this spring, of the extension to the notification system under Directive 83/189/EEC to agricultural products, foodstuffs, medicinal products and cosmetics, thereby applying the system to all product sectors. A report of the first four years of operation of this Directive should also be published in the spring. The number of notifications of draft technical regulations made to the Commission under the existing procedure increased from 149 in 1986 to 200 in 1987.

Harmonisation of technical regulations

42. In the field of producing industrial standards, national activities remain much more numerous than European activities. In 1987, work was initiated nationally on around 2700 new projects while work at a European level was launched on only 660 (although these are wider in scope). CEN and CENELEC, the European standardisation bodies, drastically increased their activities in order to cope with these new demands at the

European level. The 1987 figure showed an increase of more than 120 per cent on 1986. The Commission is therefore supplying additional financial support to these bodies to allow them to increase their staff. Additional work on standardisation at the European level will have to be carried out in the coming years in order to ensure the success of the new approach.

43. In the field of testing and certification, the work achieved in 1987 will enable a major consultation exercise to be undertaken in the first half of 1988 on a new common European policy. This should lead to a major initiative before the end of the year. By the end of 1988, CEN and CENELEC should also have adopted common European standards to be followed by all testing laboratories and certification and inspection bodies, as requested by the Commission in 1986.

New technologies

44. The most significant development in the field of new technologies has been the adoption by the Council, only four months after they were tabled by the Commission, of a recommendation and a directive on mobile telephones in the Community. This is an example of how rapid progress can be achieved given the necessary political will.

4. OPENING-UP OF PUBLIC PROCUREMENT MARKETS

- 45. On 18 March 1987, the Commission adopted its strategy to organise effective competition in public procurement markets throughout the Community. Such markets are of vital importance for the competitive strength of European Industry but four major sectors, namely telecommunications, energy, transport, and water supply, are presently excluded from the scope of the existing Community directives. The Commission will shortly submit its proposals to the Council to ensure that awarding authorities in these sectors will also have to abide by Community rules.
- 46. The amendments to the "supplies" directive, proposed by the Commission in June 1986, are expected to be adopted by the Council within the coming weeks. Their adoption will confirm both the Parliament's and the Council's commitment to the priorities iaid down by the European Council in June 1987.
- 47. The Commission has also tabled its proposals on both public procurement contracts for works, and on the legal remedies enabling awards of public procurement contracts to be challenged and, where necessary, suspended in order to ensure observance of the applicable Community rules.
- 48. The Commission has taken two further initiatives to reinforce Community policy on public procurement. First, it has published a vade-mecum (OJ C358/87) to help ensure that existing Community legislation is correctly interpreted and implemented. Second, it has established a new consultative

committee, composed of independent experts on public procurement, whose role is to advise on ways to improve the practical impact of Community law in this sector.

5. SERVICES

Financial services

49. In the financial services sector 17 of the 22 proposals envisaged in the White Paper have now been made by the Commission. The remaining five will be on the Council's table well before the end of 1988, based on the three key elements underlying the Commission's approach to achieving unified financial markets:

- harmonisation of essential standards for prudential supervision and for the protection of investors, depositors and consumers;
- mutual recognition of the way in which each Member State applies those standards;
- based on the first two elements, home country control and supervision of financial institutions operating in other Member States.

50. In the field of banking the key item, the proposal for a second banking coordination directive, was approved by the Commission in January 1988. It is based on the concept of a single banking licence issued to a bank by its home country supervisor and valid throughout the Community, and provides for any authorised credit institution to supply banking services in any Member State either by branches or by means of the provision of services. Taken together with the proposals on

solvency ratios (capital adequacy) and banking own funds its adoption will remove the remaining obstacles to freedom of establishment and freedom of services in the banking sector.

- 51. In the insurance sector, following the December 1986 Court judgment, work resumed on the second draft directive on nonlife insurance which had been proposed in 1975. The main outstanding problems were resolved by the Internal Market Council on 18 December 1987, and on 9 February 1988 the Eco-Fin Council reached agreement in principle on the proposal. When adoption of the directive can be expected later in 1988. this takes place, freedom to provide services based on home country control in this field will be set in place, in particular for large risks in the industrial, commercial and transport sectors, whilst at the same time the necessary protection for the general public (mass risks) will be ensured. Agreement on this proposal opens the way too for the Commission to put forward proposals later this year on the freedom to provide services in the motor vehicle liability insurance and 1987 also saw the adoption by the life insurance sectors. Council of directives on credit insurance and legal expenses insurance.
- 52. As far as securities markets are concerned, 1987 saw the adoption by the Council of a directive on the mutual recognition of prospectuses. The Council also agreed a common position on a proposal for a directive on the investment policies of certain UCITS. In April 1987, the Commission adopted a proposal for a directive which when agreed will forbid insider dealing in securities. Finally, in this

sector, the Commission will put forward a proposal during 1988 on investment services.

Transport

- 53. The Commission will shortly submit to the Council the one remaining proposal to be made in the transport sector under the White Paper programme, namely a proposal to abolish controls on transport and related documentation at Internal Community frontiers.
- 54. The Transport Council took an important step forward in the air transport sector by adopting in December 1987 a package of four measures. This decision marks the beginning of increased liberalization and competition in a sector which has so far been highly regulated. However, the Council has still to adopt other measures in order to complete liberalization in this sector by 1992.
- 55. Progress has been less marked in other transport sectors. On road transport of goods, the Council was not able to take a decision owing to some Member States' insistence that the fiscal harmonization aspects should be examined in parallel. In January 1988, the Commission made a proposal to the Council covering those aspects, thereby improving the prospects for a decision in this sector.

6. LIBERALIZATION OF CAPITAL MOVEMENTS

56. In November 1987, the Commission sent to the Council a package of proposals (Doc. COM(87)550) for achieving the last phase of the programme for liberalizing capital movements, as presented in May 1986 (Doc. COM(86)292).

57. The Commission's proposals comprise three texts:

- a proposed directive for the complete liberalization of capital movements
- a proposed amendment to the 1972 directive regulating international financial flows
- a proposed regulation amending and regrouping the existing Community instruments for medium term financial support of Member States' balances of payments.
- 58. These proposals were introduced by a communication, sent simultaneously by the Commission to the Council, which presents the principal elements of the proposals and draws attention to three categories of related questions: harmonisation of prudential rules and surveillance in the financial sector, fiscal aspects of the liberalization of capital movements and the link with a participation of all the European currencies in the Exchange Rate Mechanism of the European Monetary System.

7. CREATION OF SUITABLE CONDITIONS FOR INDUSTRIAL COOPERATION

Company law and taxation

59. In keeping with the conclusions of the Brussels European Council in June 1987, the Commission resumed work on the European company statute and will be making a communication to the Council on this subject during 1988. On other company law proposals already on the Council table, some progress was made in 1987 but this will have to be speeded up if closer transnational cooperation is to become a reality. In the same spirit, it is hoped that there will be progress in 1988 on the outstanding package of proposals for directives on company taxation (parent companies and their subsidiaries; double taxation; mergers, divisions and contributions of assets). Later in the year, the Commission will present a communication to the Council on company taxation systems accompanied by a proposal to harmonize the company tax base in place of the White Paper on this subject envisaged in the internal Market White Paper.

intellectual and industrial property

60. Very little progress has been made in the intellectual and industrial property sector since the last progress report. The Green Paper on Copyright will be published in 1988, enabling a Community-wide discussion to be launched on the way forward in this sector. The further planned directives on the patentability of certain biotechnology inventions and on the protection of computer software will also be proposed by the Commission in 1988. Meanwhile, the main proposals in the field

of the harmonization of national trade mark laws and the establishment of a Community trade mark system remain under negotiation in the Council.

8. REMOVAL OF FISCAL FRONTIERS

- 61. In August 1987 the Commission, in keeping with the requirements of the EC Treaty as amended by the Single European Act, presented detailed proposals designed to eliminate fiscal frontiers in the indirect tax field (docs COM(87)320 to COM(87)328). The Commission has limited its proposals to those which are absolutely necessary to ensure the establishment and functioning of the internal market in this field.
- 62. The key element so far as VAT is concerned is a proposal modifying the 6th VAT directive so as to treat sales and purchases across intra-Community borders in the same way as those within Member States.
- 63. The second element in the VAT package is a clearing house proposal. This is needed to ensure that VAT collected in the exporting Member State and deducted in the importing Member State accrues to the revenue authorities of the latter, where final consumption takes place.
- 64. Finally, the Commission has also proposed that Member States should fix their VAT rates within two rate bands, a standard rate band of between 14-20% applying to most goods and services, and a reduced rate band of 4-9% applying to

certain Items of basic necessity such as food, heating and passenger transport. The coverage and scope of the reduced rate band has to be standardized in the context of the internal market to avoid a possible diversion or distortion of trade.

- 65. As far as excises are concerned, the Commission has put forward four proposals covering respectively the harmonization of rates of taxation on cigarettes, other manufactured tobaccos, alcohol and mineral oils. Later in the year, proposals will be made for the abolition of certain other minor excises applied by some Member States and for the inter-linking of Community bonded excise warehouses, designed to allow exciseable goods to circulate freely in the internal market without payment of tax until they are finally put into consumption.
- 66. Finally, the Commission has proposed a so-called "Convergence" directive (doc. COM(87)324) which is applicable both to VAT and excises. The Intention of this proposal is to ensure that between now and 1992 Member States converge on rather than diverge from the VAT and excise rates which are due for application from 31 December 1992. The proposal is thus both a practical measure designed to ensure that the task of achieving fiscal approximation in the indirect tax field does not become more difficult between now and 1992, and a measure designed to test the political commitment of the Member States to the goals which the Heads of Government have frequently affirmed.

67. As a consequence of the presentation of the package of fiscal proposals, the proposals for a VAT standstill and for a 14th VAT directive, which were measures directed to an intermediate stage of harmonisation, have been withdrawn.

68. Since the presentation of the Commission's fiscal package in August, both the Economic and Social Committee and the European Parliament have made considerable progress in their Their respective opinions are examination of the proposals. expected to be finalised by the late spring of 1988. as the Council of Ministers is concerned, the first steps have been taken to initiate the discussion, albeit at the very general level of macro-economic appreciation. Given that in 1987 the Council of Ministers was unable to reach agreement on any of the fiscal proposals already on the table, it is all the more important that urgent progress should now be made with the new fiscal package at Council level. In order to permit adequate time for the necessary fiscal adjustments to take place before the 1992 deadline, thus reducing to a minimum the disruption and difficulties which will be experienced by Member States, decisions of principle concerning this package should be taken in the course of 1988.

CONCLUSION

- 69. The Commission looks forward to significant and early progress over the coming months and in any case before it presents its next report later this year in a number of important areas, as follows:
 - second stage of the liberalisation of capital movements
 - public procurement (supplies directive; works directive; legal remedies directive)
 - non-life insurance
 - the three direct tax measures designed to improve the fiscal environment for cross-border operations
 - mutual recognition of diplomas
 - television without frontiers
 - road transport
 - construction products
 - food law
 - major shareholdings
 - second banking directive
 - approximation of indirect taxes

ANNEXES

INTRODUCTION

The following three annexes outline the present state of progress on implementing the programme and timetable annexed to the White Paper on completing the internal market and take account of developments up to 15 March 1988.

- ANNEX 1 lists proposals presented in the context of the Completion of the internal Market which have been adopted by the Commission and the Council up to 15 March 1988
- ANNEX 2 lists the Commission proposals currently awaiting Council adoption
- ANNEX 3 lists the proposals still to be presented by the Commission to Council

ANNEX I to 3rd Progress Report 15/03/88

COMPLETION OF THE INTERNAL MARKET

INITIATIVES AND PROPOSALS ADOPTED BY COMMISSION AND COUNCIL UP TO 15 MARCH 1988

The following list shows the proposals presented in the context of the Completion of the Internal Market which have been <u>adopted</u> or <u>partially adopted</u> by both Commission and Council. Numbers refer to the total number of decisions taken by Council including partial adoptions.

Those partially adopted will require further Council decision.

The "Comments" section indicates implementation periods foreseen for each decision, derogations granted, etc.

SUBJECT ADOPTION DATE

PART ONE : THE REMOVAL OF PHYSICAL BARRIERS

- I. CONTROL OF GOODS
- 1. Various controls
- Duty free admission of fuel contained in the fuel tanks of commercial motor vehicles: lorries and coaches COM(84)171, COM(86)383

PARTIALLY ADOPTED (coaches) 8/7/85 Dir.85/347 OJ L 183 of 16/7/85

COMMENTS: Entry Into force: 1/10/1985
Proposal updated by COM(86)383 - lorries

ADOPTED 8/7/85 2. Single Administrative document (SAD) third country aspects Regul. 1900/85 & 1901/85 EEC OJ L 179 of 11/7/85 COMMENTS : Entry Into force : 1/1/1988 ADOPTED 3. Simplification of Community transit 11/6/87 procedure : amendment to Reg. 222/77 Reg. 87/1674 OJ L 157/87 of 17/6/87 COMMENTS: Entry into force: 1/7/88 4. Abolition of customs presentation ADOPTED 9/6/86 charges Reg. 1797/86 OJ L 157 of 12/6/86 COMMENTS: Entry into force 1/1/1988; derogations for Spain and Portugal 5. Elimination of customs formalities PARTIALLY in the framework of the TIR Convention ADOPTED (COM(86)184) and the introduction of 1/12/86 common border posts - "banalisation" (TIR COM(86)524 aspect) REG 3690/86 OJ L 341 of 4/12/86 COMMENTS: Entry into force: 1/7/87; no derogations foreseen

2. Veterinary and phytosanitary controls

6. Production and trade in milk

ADOPTED 5/8/85 Dir. 85/397 OJ L 226 of 24/8/85

COMMENTS: Implementation date: 1 January 1989

| 7. Live animals of the bovine | ADOPTED |
|----------------------------------|--------------|
| species: amended eradication | 22/12/86 |
| directives to provide for | Decision |
| final eradication of brucellosis | 87/58 |
| tuberculosis & leukosis | OJs L 24 & |
| in all Member States Including | L 32 of |
| Spain and Portugal | 27/1 & |
| | 3/2/87 |
| • | respectively |
| COLUMNICATIO | • • • |

COMMENTS

Member States shall draw up eradication plans to be submitted to the Commission within nine months of the notification of Decision; the Commission after examination of the proposed plans and any amendments thereto, shall approve them according to the procedure of the Standing Veterinary Committee. On the dates fixed by the Commission in its decision of approval, Member States shall bring into force the national provisions required to implement the eradication plans.

| 8. Live animals of the porcine | ADOPTED |
|--------------------------------|-------------|
| species : eradication of | 16/12/86 |
| African swine fever in | Dec.86/649 |
| Portuga I | OJ L 382 of |
| | 31/12/86 |

COMMENTS

PORTUGAL to submit a reinforced plan to the Commission for the eradication of African swine fever and the restructuring of pig farms. No precise deadlines mentioned in the decision. Commission to approve plans according to the procedure of the Standing Veterinary Committee which includes specific time limits, and follow the developments concerning the implementation of eradication plan (a report must be made to the Committee at least once a year)

 Live animals of the porcine species: eradication of African swine fever in Spain ADOPTED 16/12/86 Dec. 86/650 OJ L 382 of 31/12/86

COMMENTS

Concerning Decision 86/650, SPAIN to submit reinforced plan for the above-mentioned eradication scheme. No precise deadlines are mentioned in the decision. The Commission must approve these plans, according to the procedure of the Standing Veterinary Committee which includes specific time limits, and follow the developments concerning the implementation of the eradication plan. (A report must be made to the Committee at least once a year)

10. Eradication of classical swine fever in the Community as a whole and swine fever

ADOPTED
7/4/87
Decs
87/230
& 87/231
OJ L 99 of
11/4/87
A further 4
decisions:Dirs
87/486,487 &
489,Dec.87/488
taken on
22/9/87
OJ L 280 of
3/10/87

COMMENTS

Decision 87/230 to apply from 1/1/1987
Decision 87/231: Member States to enforce necessary measures to comply with decision not later than 31/12/87 and must inform the Commission thereof

Directives 87/486, 87/487 and Dec.87/488 drawn up in line with Article 2 of Decision 87/230 which required further Council decision on financial measures before 1/11/87, and Directive 87/489 in line with Article 3 of Decision 87/231, which required further Council decision before 1/11/87

Directive 87/486 (control of classical swine fever): Member States to bring into force laws and other provisions necessary to comply with directive not later than 31 December 1987; Commission to be notified of provisions

Directive 87/487 (conditions designed to render and keep territory free of classical swine fever): national programmes to be implemented in Member States not yet officially swine fever-free: minimum period of 6 years; maximum period 10 years

Decision 87/488: (classical swine fever: financial measures) original eradication plan under Directive 80/1095 given a 6 year period; this has now been extended by 4 years; those Member States not yet officially swine fever-free must therefore submit a new plan not later than 3 months before the expiry of their initial plan.

Directive 87/489: (swine fever: certain measures)
Member States shall bring into force laws, etc. to comply
with directive not later than 31 December 1988 and must
inform the Commission of these provisions

11. Hormone growth promoters

. ..

ADOPTED 10/7/85 Dir 85/358 OJ L 191 of 23/7/85

COMMENTS: Implementation date: 1/1/87

12. Microbiological controls (meats, poultry, red meat)

ADOPTED 12/6/85 Dirs 85/

Dirs 85/323 & 85/324 OJ L 168 of 28/6/85

COMMENTS

Implementation date Dir. 85/323 : obligation to conform to terms of directive contains period not yet fixed implementation date Dir. 85/324 : as above

13. Medical examination of Personnel

ADOPTED 12 & 20 June 1985 Directives 85/325,85/326 85/327 OJ L 168 of 28/6/85

COMMENTS

Implementation date Dir.85/325 : 1/1/86 Implementation date Dir.85/326 : 1/1/86 Implementation date Dir.85/327 : 1/1/86

| 14. Antibiotic residues COMMENTS | ADOPTED 16.9.86 Dir 86/469 OJ L 275 of 24/9/86 |
|---|---|
| and the same date also the same | .• |
| Implementation dates: 1 April 1987 (Article: December 1987 (Articles 5,11,12), 31 December articles) | s 3 and 4); 31 r 1988 (all other |
| 15. Control of residues | ADOPTED |
| | 16.9.86 |
| | Dir |
| | 86/469 OJ L 275 of |
| | 24/9/86 |
| COMMENTS | |
| Mile date date from fine date of the | |
| <pre>Implementation dates : 1 April 1987 (Article: December 1987 (Articles 5,11,12), 31 Decembe articles)</pre> | |
| 16.Swine fever | ADOPTED |
| | 12/6/85 |
| | Dirs. 85/320, |
| | 85/321 & |
| | 85/322 |
| | OJ L 168 of 28/6/85 |
| COMMENTS | 20,0,00 |
| with same was just you can sate, from | |
| Implementation Dir. 85/320 : 1/1/1986 | |
| Implementation Dir. 85/321 : 1/1/1986 | |
| implementation Dir. 85/322 : 1/1/1986 | . , |
| 17. Control of foot and mouth disease | ADOPTED |
| | 18/11/85 |
| | Dir.85/511 |
| | OJ L 315 of |
| COMMENTS | 26/11/85 |
| | • • |
| Implementation date : 1/1/1987 | |
| 18. Amendment to Directive | PARTIALLY |
| 77/93 (plant health) | ADOPTED |
| COM(84)288 | 28/2/85 |
| | DIr.85/173 OJ L 65 of |
| | 5/3/85 |
| COMMENTS: Implementation dates: 1/1/85 and | = |

19. Maximum levels for pesticide **ADOPTED** residues in cereals and foodstuffs 24/7/86 of animal origin Dirs 86/362 & 86/363 OJ L 221 of 7/8/86 COMMENTS: implementation date: 30/6/1988 20. Amendment of Directive ADOPTED 79/117/EEC on the prohibition of 21/7/86 certain plant protection products Dir. 86/355 (ethylene oxide) OJ L 212 of 2/8/86 COMMENTS: implementation date: 1/7/87 21. Proposal for Directive on the ADOPTED fixing of guidelines for the 16/2/87 evaluation of additives used in DIr. 87/153 OJ L 64 of animal foodstuffs 7/3/87 COMMENTS: Implementation date: 31/12/87 22. Modification of Directive 72/461 on ADOPTED health problems affecting intra-30/12/86 Community trade in fresh meat and Dir.87/64 Directive 72/462 on health and OJ L 34/87 veterinary inspection problems of 5/2/87 upon importation of bovine animals and swine and fresh meat from 3rd countriés COMMENTS: implementation date: 1/1/88 23. Acceptance for breeding purposes of ADOPTED purebred breeding animals of the 18/6/87 bovine species DIR. 87/328 L 167/87 of 26/6/87 COMMENTS: Compliance with Directive required by 1/1/88; Member States to Inform Commission thereof

24. Amendment to Directive 80/215 on animal health problems affecting intra-Community trade in meat products

ADOPTED 22/9/87 DIr. 87/491 L 279/87 of 2/10/87

COMMENTS :

Member States to bring into force, not later than 1 January 1988, laws etc necessary to comply with this directive and inform the Commission thereof

| 25. Amendment to Directive 74/63 on | ADOPTED |
|-------------------------------------|-------------|
| undesirable substances and products | 19/10/87 |
| in animal nutrition (maximum | Dir. 87/519 |
| pesticide residues in animal | OJ L 304/87 |
| feedingstuffs) | of 27/10/87 |

COMMENTS: Member States to bring into force not later than 3/12/90 laws etc. necessary to comply with this Directive and Inform Commission thereof

II. CONTROL OF INDIVIDUALS

26. Sixth Directive relative to exemptions in international travel: increase to 350 ECUs

ADOPTED 8/7/85 Dir. 85/348 OJ L 183 of 11/7/85

COMMENTS

Entry into force : 1/10/1985; certain derogations for Denmark, Greece and Ireland

| 27. Tax reliefs to be allowed on the | ADOPTED |
|--------------------------------------|-------------|
| importation of goods in small | 8/7/85 |
| consignments of a non-commercial | Dir.85/349 |
| character - | OJ L 183 of |
| COM(83)730 & COM(84)372 | 16/7/85 |

COMMENTS : Entry Into Force : 1/10/1985

PART TWO : THE REMOVAL OF TECHNICAL BARRIERS

I. FREE MOVEMENT OF GOODS

- 1. New approach in technical harmonization and standards policy
- 28. Simple Pressure Vessels

ADOPTED 25/6/87 Dir. 87/404 OJ L 220 8/8/87

COMMENTS

Member States to adopt and publish laws etc to comply with directive by 1/1/90 and inform the Commission thereof; the provisions shall apply from 1/7/90; Member States to communicate to Commission texts of provisions of national law adopted in the field covered by this directive

- 2. Sectoral proposals concerning approximation of laws
- 2.1. Motor vehicles
- 29. Gaseous emissions, passenger cars ADOPTED

ADOPTED 3/12/87 Dir. 88/76 OJ L 36 of 9/2/88

COMMENTS

implementation: 1/7/88

30. Gaseous emissions, commercial vehicles

ADOPTED 3/12/87 Dir. 88/77 OJ L 36 of 9/2/88

COMMENTS

implementation: 1/7/88: (by end 1988 Council will consider, on the basis of a proposal from the Commission, a further reduction in values)

31. Type approval of motor vehicles and their trailers, Directive 70/156

ADOPTED 25/6/87 DIR.87/358 OJ L 192 of 11/7/87

COMMENTS

Procedures necessary for compliance required by 1/10/88; Commission to be informed thereof; Member States to forward texts of essential domestic legal provisions in field covered by directive

2.2. Tractors and agricultural machines

32. Rollover protection structures
(incorporating two pillars and
mounted in front of the driver's
seat on narrow-track wheeled
agricultural and forestry tractors

ADOPTED 25/6/87 DIr.87/402 OJ L 220 of 8/8/87

COMMENTS

Provisions for compliance required 24 months after notification (which took place on 26/6/87); Commission to be informed thereof; Member States to communicate to Commission text of main provisions of national law adopted in the field covered by the directive

2.3. Food law

33. General Directive on sampling and methods of analysis

ADOPTED 20/12/85 DIr.85/591 O.J. L 372 of 31.12.85

COMMENTS

Member States to take necessary measures to conform to Directive 24 months after notification (which took place on 23.12.85)

34. Preservatives (modification) PARTIALLY
COM(81)712 ADOPTED
20/12/85
Dir. 85/585
O.J. L372 of
31.12.85

COMMENTS: Member States were to take necessary measures to conform to Directive by 31.12.1986

35. Emulsifiers (modification)

ADOPTED
24/3/86
Dir.86/102
O.J. L 88 of
3/4/86

COMMENTS

Member States to take necessary measures to conform to directive 12 months after notification (which took place on 27/3/86); the modified legislation should then enter into force 2 years after notification of the directive

36. Coffee extracts chicory ADOPTED 19/12/85 extracts (modification) 19/12/85 Dir.85/573 O.J. L 372 of 31/12/85

COMMENTS

Member States to take necessary measures

- (a) by 1/1/87 as far as trade in products that conform to present directive is concerned;
- (b) by 1/7/88 as far as trade in products that do not conform to present directive is concerned

37. Obligation to indicate ingredients and alcoholic strength

PARTIALLY ADOPTED 26/5/86 Dir.86/197 OJ L 144 of 29/5/86

COMMENTS

Member States to modify (if necessary) their legislation in order to :

- permit trade in products which comply with this Directive by 1 May 1988 at the latest:
- prohibit trade in products which do not comply with this Directive as from 1 May 1989

| 38. Simulants (plastic materials | ADOPTED |
|----------------------------------|-------------|
| in contact with foodstuffs) | 19/12/85 |
| | Dir.85/572 |
| | OJ L 372 of |
| | 31/12/85 |

COMMENTS

Member States to take necessary measures to conform to present directive at the same time as measures are taken to implement directive 82/711

2.4. Pharmaceuticals and high-technology medicines

- 39. Proposal for Directive Adopted concerning the placing on the market of high-technology Dir.87/22 medicinal products incl. those derived from biotechnology 17/1/87
- COMMENTS: Member States to take necessary measures to conform to directive by 1/7/87
- 40. Proposal amending Directive Idem
 75/318/EEC concerning the DIR 87/19
 testing of medical specialities
- COMMENTS: Member States to take necessary measures to conform to directive by 1/7/87;
 Derogation for Portugal under the Treaty of Accession until 1/1/91

41. Proposal amending Directive 81/852/EEC concerning veterinary medicinal products ldem DIR 87/20

COMMENTS: Member States to take necessary measures to conform to directive by 1/7/87

| 42. Proposal for a Council | ADOPTED |
|---------------------------------|-----------|
| Recommendation concerning tests | 9/2/87 |
| relating to the placing on the | OJ L 73 |
| market of medical specialities | of |
| market of modical openion. | 16/3/1987 |

COMMENTS

No implementation period required since this is a recommendation

| 43. Proposal for a Council Directive | ADOPTED |
|--------------------------------------|-----------|
| amending Directive 65/65/EEC | 22/12/86 |
| concerning medical specialities | DIR 87/21 |
| Control in ing moundar. Open and and | OJ L15 of |
| | 17/1/87 |

COMMENTS: Member States to take necessary measures to conform to directive by 1/7/87;
Derogations for Greece, Portugal and Spain until 1/1/91

44. Membership of the European Pharma— ADOPTED cope ia 26/5/87

COMMENTS: This adoption enables the Commission to negotiate membership on behalf of the 12 Member States; Interim report on progress of negotiations submitted to Council in December 1987

2.5. Chemical products

45. Council Directive relating to restrictions on the marketing and use of PCB's (polychiorinated biphenyls)

ADOPTED 1/10/85 DIR 85/467 OJ L269 of 11/10/85

COMMENTS

Member States were due to take the necessary steps to conform to the directive by 30/6/86

46. Council Directive relating to "Restrictions on the marketing and use of asbestos"

ADOPTED 20/12/85 DIR.85/610 OJ L 375 of 31/12/85

COMMENTS

Member States to take necessary measures to conform to the directive by 31/12/87;

47. Non-lonic detergents
(modification of existing
Directive)

ADOPTED 10/3/86 DIR 86/94 OJ L80 of 25/3/86

COMMENTS

Member States are being allowed to maintain exceptions to the requirements concerning certain non-lonic agents included in detergents laid down by Directive 73/404, until 31/12/89

48. Membership of the European Agreement on detergents

ADOPTED 12/12/85

COMMENTS

The decision taken on 12/12/85 merely enables the Commission to commence negotiations for the Membership of the European Agreement on Detergents; therefore implementation conditions are not applicable.

2.6 Construction and construction products

49. Tower cranes : permissible sound levels

ADOPTED 25/6/87 Dir.87/405 OJ L 220/87 of 8/8/87

COMMENTS

Member States to bring into force laws, regulations etc. necessary to comply with Directive 24 months after notification (which took place on 26/6/87); Commission to be informed thereof; texts of provisions made by Member States to be sent to Commission.

2.7. Other Items

50. Household appliances: airborne noise

Adopted 1/12/86 DIR 86/594 OJ L 344 of 6/12/86

COMMENTS

To be implemented by Member States 36 months after notification (which took place on 4 December 1986)

51. Tyre pressure gauge ADOPTED 26/6/86 Dir.86/217 OJ L 152 of 6/6/86

COMMENTS

Member States to take necessary steps to conform to directive 18 months after notification (which took place on 30.05.1986)

52. Hydraulic diggers (noise)

ADOPTED
22/12/86
Dir. 86/662
OJ L 384 of
31/12/86

COMMENTS

implementation period: 24 months after notification (which took place on 25/12/86)

NB: 6 years after implementation common noise levels to be adhered to

53.Protection of hotels against Adopted 22/12/86 Recommendation 86/666 OJ L 384 of 31/12/86

COMMENTS

Member States to report to Commission, within 2 years, all national measures taken in accordance with the Recommendation

54. Directive on products which, appearing to be other than they are, endanger the health or safety of consumers

ADOPTED 25/6/87 Dir.87/357 OJ L 192/87 of 11/7/87

COMMENTS

Compliance procedures required by 1/10/88; Commission to be informed thereof; Member States to forward to Commission text of domestic legal provisions covered by this Directive

III. FREE MOVEMENT FOR LABOUR AND THE PROFESSIONS

55. Comparability of vocational training qualifications

ADOPTED 16/7/85 Dec.85/368 OJ L 199 of 31/7/85

COMMENTS

Member States to submit to the Commission, 2 years after adoption of the decision, a report on its implementation in individual Member States

| 56. Cooperation | ADOPTED |
|--------------------------------|-------------|
| between higher education and | 24/7/86 |
| industry for advanced training | Dec.86/365 |
| relating to new technologies | OJ L 222 of |
| (COMETT) | 8/8/1986 |

COMMENTS

implementation : preparatory phase 1986; operation of programme 1987-1989; Commission report on 1987 activities submitted 12 February 1988. COM(88)36 final.

| 57. | Coordination | | ADOPTED |
|-----|------------------------|--------|-------------------------|
| | relating to commercial | agents | 18/12/86 DIR 86/653 |
| | | | OJ L 382 of 31/12/86 |

COMMENTS

Member States to take necessary measures to conform to directive by 1/1/90; for IRELAND and the U.K. this deadline is extended to 1/1/94; for ITALY, the section concerning the provisions on the ending of commercial agents contracts will be 1/1/93

58. Coordination of provisions in respect of certain activities in the field of pharmacy

ADOPTED 16/9/85 DIR 85/432, & DEC. 85/434/EEC OJ L 253 of 24/9/85

COMMENTS

Re, DiR 85/432 Member States are to take the necessary measures to conform to the directive by 1/10/87; Decision 85/434 concerned the creation of a Consultative Committee on training in the field of pharmacy — this will not be implemented before 1/10/87 — Member States will have to designate national experts and Council must take a decision.

| 59. Mutual recognition | ADOPTED |
|------------------------|-------------|
| of diplomas in | 16/9/85 |
| pharmacy | Dir. 85/433 |
| • | OJ L 253 of |
| , | 24/9/85 |

COMMENTS

Member States to take the necessary measures to conform to Directive by 1/10/87.

There will be a DEROGATION for GREECE: 10 years after entry into force the Commission must make proposals aiming at the extension of mutual recognition of diplomas to self-employed pharmacists

| | cific training | | OPTED |
|------|----------------------|----|----------|
| , in | general medical prac | | /9/86 |
| | | DI | r.86/457 |
| | | OJ | L 267 of |
| | | 19 | /9/86 |

COMMENTS

Member States should require the diplomas referred to in the directive by 1/1/95 at the latest.

IV. COMMON MARKET FOR SERVICES

1. FINANCIAL SERVICES

1.1 Banks

61. Accounts of banks

ADOPTED 8/12/86 DIR 86/ 635 OJ L 372 of 31/12/86

COMMENTS

Implementation required by 31/12/1990; facility for Member States to apply implementing rules for the first time for financial year accounts beginning 1993

 Recommendation on the setting up of a guarantee system of deposit within the Community ADOPTED 22/12/1986 Com.Rec. 87/63 OJ L 33 of 4/2/1987

COMMENTS: implementation requirements do not apply since this is a Recommendation

- Recommendation on control of large exposures

.

ADOPTED 22/12/1986 Com.Rec. 87/62 OJ L 33 of 4/2/1987

COMMENTS: Implementation requirements do not apply since this is a Recommendation

1.2 Insurance

62. Coordination of laws relating to legal expenses insurance

ADOPTED 22/6/87 Dir.87/344 OJ L 185/87 of 4/7/87

COMMENTS

Compliance to directive required by 1/1/90; to be applied from 1/7/90; Commission to be informed thereof

63. Credit insurance ADOPTED 22/6/87 Dir.87/343 OJ L 185/87 of 4/7/87

COMMENTS

Compliance to directive required by 1/1/90; to be applied from 1/7/90; Commission to be informed thereof

1.3 Transactions in securities

64. Collective Investment undertakings for transferable securities

ADOPTED 20/12/85 DIR 85/611 OJ L 375 of 31/12/85

COMMENTS

Implementation required by 1/10/1989; Member States may grant additional period of 12 months to comply with those rules for UCITS existing on that date; facility for Greece and Portugal to postpone application up to 1/4/1992.

2. TRANSPORT

65. Fares for scheduled air services

ADOPTED 14/12/87 OJ L 374 of 31/12/87 Dir. 87/601

COMMENTS

Member States to take necessary measures to comply with directive by 31/12/87; Revision will be decided upon by Council before 30/6/90 on the basis of a Commission proposal to be presented before 1/11/89

66. Air transport : sharing of passenger capacity and market access

ADOPTED 14/12/87 OJ L 374 of 31/12/87 Dec.87/602

COMMENTS

Implementation: 1/1/88
Revision will be decided upon by Council before 30/6/90 on the basis of a Commission proposal to be presented before 1/11/89

67. Air transport : application of Articles 85 and 86 (rules of competition)

ADOPTED 14/12/87 OJ L 374 of 31/12/87 Reg. 3975/87

COMMENTS

Implementation: 1/1/88

| 68. Maritime transport: 1. freedom to provide services in the sea transport sector: | PARTIALLY ADOPTED 22/12/86 |
|---|---|
| (a) between M.States and betweenM.States and third countries | REGS: |
| (b) within M.States2. application of Arts 85 & 86 of RomeTreaty to maritime transport | : 4055/86 2 : 4056/86 3 : 4057/86 |
| unfair pricing practices Coordinated action to safeguard free access to cargoes in oceanic | 4 : 4058/86 1(b) NOT adopted |
| trades COM(85)90 | OJ L 378 of 31/12/86 |

COMMENTS

Entry Into force: REGS 4055 - 1/1/87, 4056 - 1/7/87 4057 - 1/7/87, 4058 - 1/7/87

3 - NEW TECHNOLOGIES AND SERVICES

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and the second of the second o

ADOPTED 25/6/87 Rec. 87/371 Dir. 87/372 OJ L 196/87 of 17/7/87

COMMENTS

Directive 87/372: provisions for compliance required 18 months after notification (which took place on 26/6/87); Commission to be informed thereof; Member States to forward text of domestic provisions adopted in field of directive

| - Recommendation on a European Code of | ADOPTED |
|--|--------------|
| Conduct relating to electronic payment | 8/12/87 |
| (relations between financial institution | ons Com.Rec. |
| traders and service establishments and | 87/598 |
| consumers) | OJ L 365 |
| | of 24/12/87 |

COMMENTS: Implementation requirements do not apply since this is a Recommendation

V - CAPITAL MOVEMENTS

70.Liberalisation of units in collective investment under-takings for transferable securities

ADOPTED 20/12/85 DIR. 85/583 OJ L 372 of 31/12/85

COMMENTS

Member States to take necessary measures to comply with directive by 1/10/89; DEROGATION for Portugal to 31/12/1990

| 71. Liberalisation | ADOPTED |
|-----------------------------------|----------|
| of operations such as | 17/11/86 |
| transactions in securities | DIR |
| not dealt in on a Stock | 86/566 |
| Exchange, admission of securities | OJ L 332 |
| on the capital market and | of |
| long-term commercial credits | 26/11/86 |

COMMENTS

Member States to take necessary measures to comply with Directive by 28/2/87; Spain and Portugal may, in connection with the Act of Accession, postpone liberalisation until respectively:

- 1/10/1989 and 31/12/1990 for transactions on units in collective investment undertakings in transferable securities,
- 31/12/1990 and 31/12/1992 for other transactions liberalised

NB. It was announced on 25 February 1987 that GREECE, ITALY and IRELAND have been allowed to extend DEROGATIONS in this field (in accordance with Article 108 of the Rome Treaty) to some of the newly liberalised operations up to: end 1987 for Italy and Ireland and end 1988 for Greece However, operations representing inflows of capital and long term commercial credits are liberalised as from 28/2/1987

VI - CREATION OF SUITABLE CONDITIONS FOR INDUSTRIAL COOPERATION

1. Company law

72. Proposals for a Regulation for a European Economic Interest Grouping

ADOPTED 25/7/85 Reg. 85/2137 OJ L 199 of 31/7/85

COMMENTS

Member States to take necessary measures to conform to regulation by 1/7/89

2. Intellectual and Industrial property

73. Legal protection of micro circuits

Adopted 18/12/86 DIR. 87/54 OJ L 24 of 27/1/87

COMMENTS: Member States expected to enforce directive by 7/11/87 at the latest

| 1. V.A.T. | |
|--|--|
| 74.13th VAT Directive concerning tax refunds to persons not established in the Community | ADOPTED 17/11/1986; DIR. 86/560 OJ L 326 of 21/11/1986 |
| COMMENTS: Entry Into force 1/1/1988 | |
| 75. 17th VAT Directive concerning the temporary importation of goods other than means of transport | ADOPTED 16/7/85 DIR. 85/362 OJ L 192 of 24/7/85 |
| COMMENTS | |
| | |
| Entry into force : 1/1/1986; DEROGATIONS for Germany and Greece : carryover of certain articles | of application |
| DEROGATIONS for Germany and Greece : carryover | of application |

ANNEX 2 TO THIRD PROGRESS REPORT 15/3/88

PROPOSALS SUBMITTED BY COMMISSION TO COUNCIL IN THE CONTEXT OF THE COMPLETION OF THE INTERNAL MARKET WHICH STILL REQUIRE COUNCIL ADOPTION

- Proposals marked with an asterisk (*) were presented since the publication of the White Paper (14 June 1985)
- Proposals marked with two asterisks (**) await European Parliament Opinion or First Reading
- Where the Cooperation Procedure applies :
 - FR Indicates that Parliament has completed Its First Reading
 - CP indicates proposals upon which a Common Position has been reached
 - SR Indicates that Parliament has completed Its Second Reading
- Voting procedures are indicated in the Council column thus : U = unanimity;

QM = qualified majority; SM = simple majority

SUBJECT

Date of Projected date Commission's of adoption by proposal Council as per White Paper

PART ONE : THE REMOVAL OF PHYSICAL BARRIERS

1. CONTROL OF GOODS

1. Various controls

1. Duty free admission of fuel contained in the fuel tanks of commercial motor vehicles: lorries & coaches COM(84)171 1984 updated by COM(86)383 (lorries)

PARTIALLY ADOPTED 8/7/85 DIr.85/347 (coaches) 1987 (U)

| 2. | Introduction of common border posts ("banalisation") COM(86)524 | 1986* | PARTIALLY ADOPTED (TIR aspect) Reg. 3690/86 1987 (QM) |
|----|---|-------|--|
| 2. | Veterinary and phytosanitary contr | ols | |
| 3. | Production and trade in medicated feeding stuffs - COM(81)795 & COM(83)378 | 1981 | 1985 (QM) |
| 4. | Boar meat - COM(83)655 | 1983 | 1985 (QM) |
| 5. | Personnel responsible for inspection COM(81)504 | 1981 | 1985 (QM) |
| 6. | Zootechnical standards applicable to breeding animals of the porcine species COM(79)785, modified by COM(86)659 | 1979 | 1987 (QM) |
| 7. | Imports of meat products from third countries (animal and public health) COM(84) 530, COM(86)658 | 1984 | 1987 (QM) |
| 8. | Aujesky's disease and swine vesicular disease COM(82)529 | 1982 | 1985 (QM) |
| 9. | Semen of animals COM(83)512, modified by COM(86)657 | 1983 | 1987 (QM) |

| 10. | Modification of Directive 77/99/EEC on meat products COM(85)678 | 1985* | 1986 (QM) |
|-----|--|-------|---|
| 11. | Proposal to amend Directive 77/93 (plant health) COM(84)288 | 1984 | PARTIALLY ADOPTED 28/2/85 Dir.85/173 1985 (QM) |
| 12. | Proposal to amend the annex of Directive 76/895/EEC concerning residues of pesticides in and on fruit and vegetables (ethoxyquin and diphenylamine) COM(82)883 | 1983 | 1985 (QM) |
| 13. | Proposal for the placing of plant protection products on the market COM(76)427 | 1976 | 1986 (U) |
| 14. | Proposal for the improvement of Community systems of certification of seeds - COM(85)782 | 1985* | 1986 (QM) |
| 15. | Harmonised health conditions for production and trade in food products of animal origin not covered by existing legislation: eggs COM(87)46 | 1987* | 1988** (QM) |
| 16. | Amendment to Directive 64/433 on health problems affecting intra-Community trade in fresh meat COM(86)532 | 1986* | 1987 (QM) |
| 17. | Amendment to Directive 72/462 on health and veterinary inspection problems upon importation of bovine animals and swine and fresh meat from third countries COM(86)532 | 1986* | 1987 (QM) |

| 18. Proposal for directive on health problems relating to minced meat and similar products: import from 3rd countries CCM(87)658 | 1987* | 1988** (GM) |
|---|-------|----------------|
| 19. Harmonised health and hygiene conditions : fish and fish products — health guarantees COM(88)47 | 1988* | 1989** (GM) |
| II. CONTROL OF INDIVIDUALS | | |
| 20. Small consignments: exemption from value added tax on the final importation of certain goods : COM(86)383, updated | 1006* | 1007 |
| by COM(87)21 | 1986* | 1987 (U) |
| 21. Directive on the easing of controls at intra-Community Borders COM(84)749 & COM(85)224 | 1985 | 1985 (U) |
| 22. Directive on the control of the acquisition and possession of arms COM(87)383 | 1987* | 1988** (QM) |
| 23.Modification of Directive 83/183 on tax exemptions applicable to permanent imports from a Member State of the personal property of individuals (removals) COM(86)584 fin/2 | 1986* | 1987 (U) |
| COM(88)384 1111/2 | | |
| 24.Proposal for a Directive amending for the first time Dir. 83/182 on temporary importation of certain means of transport (motor vehicles) COM(87)14 | 1987* | 1987 (U) |

PART TWO : THE REMOVAL OF TECHNICAL BARRIERS

I. FREE MOVEMENT OF GOODS 1. New approach in technical harmonization and standards policy 25. Proposal for the extension of 1987* 1987 information procedures on (QM) standards and technical SR rules (amendment to Directive 83/189) COM(87)52,COM(87)607 26. Radio interferences 1987* 1988** COM(87)527 (QM) 27. Machine safety 1987* 1988** COM(87)564 (QM) 28. Safety of toys - COM(83)323 1983 1987 modified by COM(86)541 which 1986* (QM) includes Chemical Properties and SR Electrical toys (later amended by COM(87)467 2. Sectoral proposals concerning approximation of laws 2.1. Motor vehicles 29. Diesel particulates - passenger 1986* 1987 cars - COM(86)261 (MD) CP 30. Directive modifying Directive 1988* 1989** 78/1015 concerning motorcycle (QM) replacement exhaust systems COM(88)6 31. Directive on safety glass for 1972 1988 use in motor vehicles (QM) COM(72)981 FR

| 32. | Directive on the approximation of laws relating to weights and dimensions of certain motor vehicles COM(76)701 | 1976 | 1988 (QM) FR |
|-----|--|-------|--------------------|
| 33. | Directive on the approximation of laws relating to tyres for motor vehicles and their trailers COM(76)712 | 1976 | 1988 (QM) FR |
| 34. | Modification to Directive 70/220 Revision of limit values for gaseous emissions of cars (vehicles below 1400 cc) COM(87)706 | 1988* | 1989** (QM) |
| 2.2 | . Tractors and agricultural machines | | |
| 35. | Implementation of Directive 74/150 (weight and dimensions, driveshaft, engine stopping device, windscreen wipers, footrest) COM(87)194 | 1987* | 1987 (QM) FR |
| 36. | Modification of framework Directive 74/150 COM(86)777 | 1986* | 1987 (QM) SR |
| 2.3 | . Food law | | |
| 37. | General Directive on quick frozen foods - COM(84)489 & COM(85)514 | 1984 | 1985 (QM) FR |
| 38. | Flavourings - COM(80)286 & COM(82)166 | 1980 | 1985 (QM) SR |

| 39. | Extraction solvents - | 1983 | 1986 |
|----------|--|--|---------------------------------------|
| | COM(83)626 & COM(85)79 | | (QM) |
| | | | SR |
| | | | |
| 40. | Preservatives (modification) | | |
| | COM(81)712 | 4004 | PARTIALLY |
| | JOM (01)7112 | 1981 | ADOPTED |
| | | | 20/12/85 |
| | | | Dir. 85/585 |
| | | | 1985 |
| | | | (QM) |
| | | | FR |
| 41. | Infant formulae and follow- | 1984 | 1986 |
| | up milk (dietetic foods) | 1004 | |
| | COM(84)703, modified by | | (QM) |
| | COM(86)564 | | FR |
| | COM(80)364 | | • |
| 40 | Obligation | ''''''''''''''''''''''''''''''''''''' | |
| 42. | Obligation to indicate | | PARTIALLY |
| | ingredients and alcoholic | | ADOPTED |
| | strength - COM(82)626 | 1982 | 26/5/86 |
| | | | DIR.86/197 |
| | | | 1985 |
| | | | (QM) |
| | | | FR |
| | | | |
| 43. | Modified starches - COM(84)726 | 1984 | 1986** |
| | | 1307 | · |
| | · · · · · · · · · · · · · · · · · · · | | (QM) |
| 44 | Food additions (1) | | |
| 44. | Food additives (in part | 1986* | 1986 |
| | modification of existing directives) | | (QM) |
| | COM(86)87, COM(87)243 | | FR |
| | | | |
| 45. | Materials and articles in | 1986* | 1986 |
| | contact with food (amendment) | | (QM) |
| | COM(86)90, COM(87)239 | | FR |
| <u> </u> | | · | · · · · · · · · · · · · · · · · · · · |
| 46. | Food for particular nutritional | 1986* | 1986 |
| | use (amendment) | | (QM) |
| | COM(86)91, COM(87)241 | | FR |
| | and the same and t | | 1 13 |
| 47. | Food labelling (amendment) | 1986* | 1006 |
| | COM(86)89, COM(87)242 | 1200 | 1986 |
| | | | (QM) |
| | | | FR |
| 48. | Jams COM(86)613 | 1986* | 1987** |
| | · · | | (QM) |
| | | | |

| | Fruit Juices COM(86)688 | 1986* | 1987** |
|-------|---|------------|------------|
| 19. | Fruit Juices Com(807000 | | (QM) |
| | | | ((() |
| _ | Food inspection | 1986* | 1987 |
| υ. | COM(86)747,COM(88)88 | ,,,,,,, | (QM) |
| | COM(88)747, COM(88)88 | | FR |
| | | | • • • |
| = 1 | Definition of spirituous | 1982 | 1986 |
|) i . | beverages and aromatised wines | | (QM) |
| | COM(82)328, COM(86)129 | | FR |
| | COM(82)320,00m(00)120 | | |
| 2.4. | . Pharmaceuticals and high-technolo | ogy medici | nes |
| | | | |
| 52. | Price transparency in the prices | 1986* | 1988 |
| | of medicines and social security | | (QM) |
| | refunds COM(86)765 | | FR |
| | Extension of direc- | 1987* | 1989** |
| 53. | tives to medicinal products | 1557 | (QM) |
| | | | (Selvi) |
| | not already included | | 7. |
| | (4 proposals) | | |
| | COM(87)697 | | |
| 2.5 | . Chemical products | | |
| | all and Strattler analysis and | 1985* | 1987 |
| 54. | Classification, packaging and | 1365 | (QM) |
| | labelling of dangerous | | CP CP |
| | preparations - COM(85)364 | | Ç. |
| | | | |
| 55. | Liquid fertilisers COM(86)704 | 1986* | 1988 |
| | | | (QM) |
| | | | SR |
| | | 1987* | 1989** |
| 56. | Secondary fertilisers | 130/~ | |
| ٠. | COM(87)646 | | (QM) |
| 2.6 | . Construction and construction pr | oducts | |
| | | 1000* | 1988 |
| | منافعت والمستوان المستوان الم المستوان المستوان المستوان المستوان المستوان المستوان المستوان | | |
| 57. | Construction products | 1986* | |
| 57. | Construction products COM(86)756,COM(87)728 | 1966* | (QM) FR |

2.7. Other Items

| 58. Cosmetics - 4th modification to Directive 76/768 COM(87)74 | 1987* | 1988** (QM) |
|---|------------|--------------------|
| 59. Proposal for a Directive amending Directive 79/581 on consumer protection in the indication of the prices of foodstuffs COM(84)23, COM(87)160 | 1984 | 1985 (QM) CP |
| 60. Consumer protection in respect of the indication of prices for non-food products COM(83)754 | 1983 | 1985 (QM) CP |
| 61.Good laboratory practices - non-clinical testing of chemical COM(86)698 | 1986* s | 1987 (QM) CP |
| 62. Proposal modifying Directive 84/538 on lawn mower noise COM(86)682 | 1986* | 1987 (QM) SR |

II. PUBLIC PROCUREMENT

| | ada laino caso caso aldo quin caso vino vino vino caso caso haso repr upro quin digin caso digin | | |
|-----|---|------|--------------------|
| 63. | Coordination of procedures on the award of public supply contracts (amendment of Dir. 77/62) and deletion of certain provisions of Dir. 80/767 COM(86)297,COM(87)233,COM(87)468 | 86* | 1987 (QM) SR |
| 64. | Coordination of procedures for 19 the award of public works contracts COM(86)679 | 86* | 1988** (QM) |
| 65. | Application of Community rules on 19 procedures for the award of public supply and public works contracts COM(87)134 | 987* | 1988** (QM) |

III. FREE MOVEMENT FOR LABOUR AND THE PROFESSIONS

| Harmonisation of income taxation provisions with respect to freedom of movement of workers within the Community COM(79)737 | 1979 | 1985 (U) | |
|--|--|---|--|
| Transitional measures for access to activities in the technical field and for their exercise COM(69)334/2 | 1969 | 1985 (QM) FR | |
| Coordination of provisions in respect of the training of engineers COM(69)334/3 | 1969 | 1985 (QM) FR | |
| Proposal for a Directive setting up a general system of mutual recognition of higher education | 1985* 7 | 1987 (QM) FR | |
| Right of residence for nationals of Member States not yet or no longer employed COM(79)215 & COM(85)292 | 1979 | 1985 (U) | |
| | respect to freedom of movement of workers within the Community COM(79)737 Transitional measures for access to activities in the technical field and for their exercise COM(69)334/2 Coordination of provisions in respect of the training of engineers COM(69)334/3 Right of Establishment: Proposal for a Directive setting up a general system of mutual recognition of higher education diplomas — COM(85)355 & COM(86)25 Right of residence for nationals of Member States not yet or no longer employed | taxation provisions with respect to freedom of movement of workers within the Community COM(79)737 Transitional 1969 measures for access to activities in the technical field and for their exercise COM(69)334/2 Coordination of 1969 provisions in respect of the training of engineers COM(69)334/3 Right of Establishment: 1985* Proposal for a Directive setting up a general system of mutual recognition of higher education diplomas — COM(85)355 & COM(86)257 Right of residence for 1979 nationals of Member States not yet or no longer employed | |

IV. COMMON MARKET FOR SERVICES

1. FINANCIAL SERVICES

1-1 Banks

| n | Freedom of establish— ment and freedom to supply services in the field of nortgage credit — COM(84)730 COM(87)255 | 1985 | 1988 (QM) FR |
|-----|--|-------|--------------------|
| 72. | Reorganisation and winding- up of credit institutions COM(85)788, COM(88)4 | 1985* | 1987 (QM) FR |
| 73. | Proposal on the obligations of branches established in a M.S. by credit institutions and financial institutions having their head offices outside that | 1986* | 1987 (QM) FR |
| | M.S. regarding the publication of annual accounting documents COM(86)396, COM(88)118 | ٠ | |
| 74. | Harmonisation of the concept of own funds COM(86)169, COM(88)15 | 1986* | 1987 (QM) FR |
| 75. | Second directive on coordination of credit institutions COM(87)715 | 1987* | 1989** (QM) |

1-2 insurance

| 1-& | insurance , | | |
|-----|---|-------|--------------------|
| 76. | Facilitation of freedom to provide services in insurance other than life insurance — COM(75)516 & COM(78)63 | 1975 | 1986** (QM) |
| 77. | Insurance contracts COM(79)355 & COM(80)854 | 1979 | 1988 (QM) FR |
| 78. | Annual accounts - Insurance undertakings COM(86)764 | 1986* | 1989** (QM) |
| 79. | Winding up of insurance undertakings COM(86)768 | 1986* | 1989** (QM) |
| 1-3 | Transactions in securities | | |
| 80. | Information to be published when major holdings in the capital of a listed company are acquired or disposed of COM(85)791, COM(87)422 | 1985* | 1988 (QM) FR |
| 31. | Coordination of the requirements for the drawing up, scrutiny and distribution of the prospectus to be published when securities are offered for subscription or sale to the public - COM(80)893,COM(82)441 | 1981 | 1988 (QM) FR |
| 82. | UCITS Directive: special measures concerning certain investments COM(86)315 | 1986* | 1987 (QM) SR |
| 83. | Directive on insider Trading COM(87)111 | 1987* | 1989** (QM) |

2 TRANSPORT

| extensional management | common contractive property and the contracti | | |
|------------------------|--|-------|--|
| 84. | Road transport: organisation of the market (Community quota) for the carriage of goods by road between M. States: transitional and final stages COM(83)340, COM(86)595,COM(87)729 | 1983 | 1986/88 (QM : subject to Art.75(3)) |
| 85. | inland waterways: goods and passengers. Freedom to provide services by non-resident carriers within a Member State COM(85)610 | 1985* | 1989 (QM : subject to Art. 75(3)) |
| 86. | Road transport : Goods Freedom to provide services by non resident carriers within a Member State COM(85)611 | 1985* | 1988 (QM : subject to Art. 75(3)) |
| 87. | Road transport: passengers Freedom to provide services by non-resident carriers within a Member State COM(87)31 | 1987* | 1987 (QM : subject to Art. 75(3)) |
| 88. | Maritime transport: goods and passengers: freedom to provide services in the sea transport sector within a Member State by non-resident carriers COM(85)90 (4 regulations already adopted by Council in December 1986) | 1985 | 1986 PARTIALLY ADOPTED (QM: subject to Art. 75(3)) Regs 4055 to 4058 |
| 89. | Road transport : common rules for the international carriage of passengers by road COM(87)79 | 1987* | 1987 (QM : subject to Art.75(3)) |

3 - NEW TECHNOLOGIES AND SERVICES

| 90.Broadcasting activities COM(86)146 | . 1986* | 1987 (QM) FR |
|---|---------|--------------------|
| 91. Establishment at Community level of a policy and plan of priority action for the development of an information services market COM(87)360, COM(88)3 | 1987* | 1988 (QM) FR |

V. CAPITAL MOVEMENTS 1988** 1987* 92. Liberalisation of capital (QM) movements COM(87)550 VI - CREATION OF SUITABLE CONDITIONS FOR INDUSTRIAL COOPERATION 1. Company law 1973 1988 93. Fifth Company (QM) Law Directive (structure of FR public limited companies) COM(72)887 & COM(83)185 1987** 1985 94. Tenth Directive concerning cross-border mergers -(QM) COM(84)727 1990 1970 95. Statute for (U) a European Company COM(70)600 & COM(75)150 1986* 1988 96. Proposal for 11th Company Law (QM) Directive to dispense branches of FR certain types of companies from publishing separate accounts COM(88)397 1987 1986* 97. Proposal for Council directive amending Dir.78/660/EEC on annual accounts and Dir.83/349/EEC on (QM) FR consolidated accounts as regards

the scope of those directives (4th and 7th Co.Law directives)

COM(86)238

| 2. Intellectual and industrial property | • | |
|--|---------------|--------------------|
| 98. Regulation on Community trade marks - COM(80)635 & COM(84)470. | 1980 | 1987 (U) |
| 99.First Directive to approximate the laws of Member States relating to trade marks - COM(80)635 & COM(85)793 | 1980 1985* | 1987 (QM) FR |
| 100. Regulation on the rules needed for Implementing the Community Trademark regulation COM(85)844 | 1985* | 1987 (QM) |
| 101. Regulation on rules of procedure for the Boards of Appeal of the Community's Trade Mark office COM(86)731 | 1986* | 1988 (QM) |
| 102. Community trademark office — regulation on fees COM(86)742 | 1986* | 1988 (QM) |

| . Taxation (removing tax obstacles between enterprises) | to cooperat | : lon |
|---|-------------|-------------|
| 103. Arbitration procedure concerning the elimination of double taxation COM(76)611 | 1976 | 1985 (U) |
| 104. Common system of taxation applicable to parent companies and their subsidiaries COM(69)6 | 1969 | 1985 (U) |
| 105. Common system of taxation of mergers, divisions and contributions of assets COM(69)5 | 1969 | 1985 (U) |
| 106. Harmonization of taxes on transactions in securities COM(76)124, modified by COM(87)139 | 1976 | 1986 (U) |
| 107. Harmonization of M.S. laws relating to tax arrangements fo carryover of losses of undertak COM(84)404 and COM(85)319 | | 1988 (U) |

PART III : THE REMOVAL OF FISCAL BARRIERS

| | Trailer | |
|--|---------|---------------|
| 1. V.A.T. | | |
| error ann ann ann ann ann ann ann ann | | |
| 108. Proposal for Council directive Instituting a process of conver- gence of rates of VAT and excise duties COM(87)324 NB This proposal replaces the standstill proposal - COM(85)606 on both VAT and Excise duties | 1987* | 1988** (U) |
| withdrawn by the Commission | | • |
| 109. Proposal on special schemes for small business (includes flat rate farmers proposal now no longer necessary) COM(86)444 | 1986* | 1987 (U) |
| 110. 12th VAT Directive concerning expenditure on which tax is not deductible - COM(82)870 & COM(84)84 | 1983 | 1986 (U) |
| 111. 18th VAT Directive concerning the abolition of certain derogations (Article 28(3) of Directive 77/388/EEC - COM(84)649, modified by COM(87)272 | 1984 | 1986 (U) |
| 112. 19th VAT Directive: miscellaneous supplementary and amending provisions of Directive 77/388/EEC COM(84)648, modified by COM(87)315 | 1984 | 1986 (U) |
| 113. Directive on the stores of ships, aircraft and inter- national trains COM(79)794 | 1980 | 1986 (U) |
| 114. Approximation of VAT rates COM(87)321 | 1987* | 1988** (Ú) |
| 115. Abolition of fiscal frontiers COM(87)322 | 1987* | 1988** (U) |
| | | |

2. EXCISE DUTIES

| 116.Harmonization of the structure | 1972 | 1985 |
|---|-------|--------|
| of excise duties on alcoholic | | (U) |
| drinks COM(72)225/2 | | |
| | | |
| 117.Harmonization of the structure | 1982 | 1985 |
| of excise duties on alcoholic | | (U) |
| drinks COM(82)153 | | |
| 118. Harmonization of the structure | 1985 | 1985 |
| of excise duties on alcoholic | | (U) |
| drinks COM(85)150 | | ν., |
| di Tiks Com(65) 150 | • | |
| 119.Harmonization of the structure | 1985 | 1985 |
| of excise duties on alcoholic | | (U) |
| drinks COM(85)151 | • | |
| | 1070 | 1000 |
| 120.Excise duty | 1972 | 1986 |
| on wine - COM(72)225/3 | | (n) |
| 121.introduction of a third stage | 1980 | 1986 |
| concerning the harmonization | | (U) |
| of the structure of clgarette | | • • • |
| duty - COM(80)69 | • | |
| | | |
| 122. Harmonization of the structure | 1973 | 1986 |
| of excises on mineral oils | | (U) |
| COM(73)1234 | | |
| 123. Consumption taxes on manufactured | 1987* | 1988** |
| tobacco other than cigarettes | | (U) |
| COM(87)326 | • | • • • |
| | | |
| 124. Consumption taxes on cigarettes | 1987* | 1988** |
| COM(87)325 | | (U) |
| 125. Common rate bands for all | 1987* | 1988** |
| harmonised duties on alcoholic | 1307 | (U) |
| | | (0) |
| beverages COM(87)328 | | |
| 126. Common rate bands for all harmonised | 1987* | 1988** |
| excise duties on mineral oils | | (U) |
| COM(87)327 | | |
| COM(87)327 | | |

ANNEX 3 TO THIRD PROGRESS REPORT 15/3/88

| CO | LIST OF COMMISSION PROPOSALS STILL TO BE PRESENTED TO COUNCIL BEFORE 31 DECEMBER 1992 IN THE CONTEXT OF THE COMPLETION OF THE INTERNAL MARKET | | | | | |
|----------|---|---|--------------------|--|--|--|
| (1 | asterisk indicates delay vis à vis Whi | te Paper t | lmetable) | | | |
| بمنجسية. | Subject | Expected Date of Commission Proposal | Date of Council | | | |
| 1. | CONTROL OF GOODS Various Controls | ERS | | | | |
| 1. | Abolition of controls related to means of transport (goods and persons) | | 1989 | | | |
| 2. | establishment of an alternative system for the collection of trade statistics following the abolition of all remaining internal frontier formalities and controls | 1988* | 1989 | | | |
| 3. | Adaptation of Community transit legislation to take account of abolition of internal frontiers (amendment to Regulation 222/77) | 1988 | 1990 | | | |

2. Veterinary and phytosanitary controls 1988* 4. Creation of special veterinary fund 1990 to finance eradication schemes for tubercolosis, brucelloisis and leukosis in the bovine species, classical swine fever in the Community as a whole and African swine fever in Spain and Portugal and provide financial assistance in relation to control and eradication of other diseases which may arise والمراح والمرا 5. Veterinary controls in intra-Community 1988* 1989 trade 6. Formulation of directives concerning animal health problems relating to trade in: - live poultry, poultry meat and hatching eggs 7. Formulation of directives concerning animal health problems relating to trade in: - dogs and cats 1988* (measures against rables) 8. Strengthening of controls of veterinary 1988* 1989 regulations 9. Modification of Regulation 1468/81 on mutual assistance 10. Poultry products: amend Directive 1988* 1989 71/118 to provide for inspection and certification at the place of production and re-inspection, in the case of suspicion of fraud

In order to attain free movement 1988* 1989

at the place of destination

disputes

11. Reinforcement of arbitration of

12. Modification to the rules of frontier controls relating to welfare of animals in international transport

1988* 1989

| 13.Live animals of the bovine species: formulate directives for eradication of contagious bovine pleuro-pneumonia in Portugal | 1988* | 1989 |
|---|-------|------|
| 14.Proposal for directive on trade in embryos of farm animals | 1988* | 1989 |
| 15. Formulation of Directives on animal health problems relating to trade in live animals of the equine species | 1988* | 1989 |
| 16. Formulation of Directives on animal health problems relating to trade in live animals of the ovine and caprine species | | 1989 |
| 17. Formulation of directives on animal health problems relating to trade in fish and fish products | 1988* | 1989 |
| 18.Brucellosis in small ruminants | 1988 | 1989 |
| 19. Ech I nococcos Is | 1988 | 1989 |
| 20. Formulation of directives concerning veterinary inspection problems relating to trade in animals and products of animal origin not covered by existing Directives | 1988 | 1989 |
| 21.Harmonised health and hygiene conditions for production and trade in shellfish and crustacea and preparation | 1989* | 1990 |
| 22.Harmonised health and hygiene conditions for production and trade in fish and fish products (one proposal already made on this subject) | 1988 | 1990 |
| 23.Harmonised health and hygiene conditions for production and trade in game meat, products and preparations | 1988 | 1990 |
| 24.Pedigree animals not covered by existing Directives | 1988 | 1989 |
| 25.Harmonisation of control of foot and mouth disease | 1990 | 1992 |

| 26 Harmonised health conditions for production and trade in food products of animal origin not covered by existing legislation NB: Proposal partially approved by Commission: eggs aspect | 1990 | 1992 |
|---|-------|------|
| 27. Second revision of the safeguard clause concerning the veterinary sector: the exporting Member State takes the appropriate measures in order to avoid specific obstacles to intra-Community trade | 1991 | 1992 |
| 28.Pathogens In feedingstuffs | 1991 | 1992 |
| 29.Application of health standards to national products | 1991 | 1992 |
| 30. Suppression of veterinary certificates for animal products and simplification of certificates for live animals | 1991 | 1992 |
| | 1988* | 1989 |
| 32.Budget proposal enabling establishment of Community health inspectorate | 1988* | 1989 |
| 33.Proposal for the modification of directive 76/895 (maximum levels for pesticide residues in fruit and vegetables | 1988* | 1989 |
| 34.Proposal for a system of certification of reproductive materials in fruit | | |
| plants | 1989* | 1990 |
| 35.Proposal for 4 year research programme into effective methods of controlling certain harmful organisms | 1988* | 1989 |
| 36.Establishment of certain rules on liability in respect of plant health | 1989* | 1990 |
| الله الله الله الله الله الله الله الله | | |

| 37.Simplification of annexes in Directive 77/93/EEC (plant health) | 1990* | 1991 |
|--|-------|------|
| intra-Community standards in plant health | 1990* | 1991 |
| certificate in intra-Community trade | 1990* | 1991 |
| 40. Proposal for a system of certification in reproduction materials for decorative plants | 1989 | 1990 |
| organisms especially in seed potatoes and in fruit plant reproductive material | 1989* | 1990 |
| 42.Revision of labelling rules for foodstuffs drawn up in view of a uniform EEC label | 1989* | 1990 |
| 43.Guidelines for checking requirements in connection with the approval of plant protection production | | 1990 |
| 44.Extension of application Directives 66/401/EEC, 70/437/EEC and 70/458/EEC to seedlings | 1989* | 1990 |
| 45.Proposal for creation of a European law | | |
| 46. Suppression of plant health certificates | 1991 | 1992 |
| 47.Directive on organic production of food- stuffs and marketing of organically | 1988* | 1989 |

II. CONTROL OF INDIVIDUALS 1988 1990 48.Directive on the coordination of rules concerning the status of third country nationals. 49.Directive on the coordination of rules 1988 1990 concerning the right of asylum and the status of refugees 50. Directive on the approximation of drugs 1988* 1989 legislation 51. Directive on the coordination of national 1988 1990 visa policies 52. Directive on the coordination of rules 1989 1991

concerning extradition

| PART TWO : THE REMOVAL OF TECHNICAL BARRIERS | | |
|--|---|------|
| I. FREE MOVEMENT OF GOODS | | |
| New approach in technical harmonisation and policy | standar | ds |
| 53.Earth moving equipment | 1988* | 1989 |
| 54.Lifting and loading equipment | 1988* | 1989 |
| 55.Medical equipment: electro medical implantables | 1988 | |
| | 1988 | 1989 |
| | 1022 | 1990 |
| 58.Metrology : certification | 1988 | 1990 |
| Proceedings of the control of the co | 1988 | |
| 2. Sectoral proposals concerning approximation | | • |
| 2.1 Motor vehicles | | |
| 60.implementation of EEC type approval scheme for motor vehicles : special requirements for heavy vehicles | 1988 | 1990 |
| 2.3 Food law | ئنڊ ميد جي حص سند سنڌ جمعه سندر د | |
| 61 General Directive on Irradiation of foodstuffs | | |
| 62.Additional labelling requirements (nutrition labelling) | 1988 | 1990 |
| | · — — — — — — — — — — — — — — — — — — — | |

2.4 Pharmaceuticals and high-technology medicines

| appa mana mana banga danpa minya min | | |
|--|-------|------|
| 63.Amendment to Directive on veterinary medicines | 1988* | 1989 |
| 64.Pharmaceutical products: completion of work eliminating obstacles to free circulation of pharmaceutical products | 1989 | 1990 |
| 65.Harmonisation of conditions of distribution to patients | 1990 | 1991 |
| 66.Information for doctors and patients | 1990 | 1991 |
| 2.5 Chemical products | | |
| 67.0ligo-elements in fertilizers | 1988 | 1990 |

11. PUBLIC PROCUREMENT

| 68. Opening up of public procurement in the excluded sectors: transport, energy, water and telecommunications | 1988* | 1989 |
|--|-------|------|
| 69. Public procurement in the field of services | 1988* | 1989 |
| III. FREE MOVEMENT FOR LABOUR AND THE PROFESSION | MC SM | |
| 70. Proposal concerning the elimination of cumbersome administrative procedures relating to residence permits. | 1988* | 1989 |

| IV. COMMON MARKET FOR SERVICES | | |
|---|-------|------|
| 1. FINANCIAL SERVICES | | |
| 1.1 Banks | | |
| 72. Directive on solvency ratios | 1988 | 1989 |
| 1.2 Insurance | | |
| 73.Proposal for a Third Directive concerning motor liability insurance | | |
| 74.Freedom to supply services in the motor liability | 1988* | 1989 |
| 75.Freedom to supply services in the field of life insurance | 1988* | |
| 1.3 Transactions in securities | | |
| 76.Investment services | 1988* | 1989 |
| 2. TRANSPORT | | |
| //. All Clew qualifications | 1988 | |
| 78. Revision of air services (fares) directive | 1989 | 1990 |
| 79. Revision of passenger capacity and market access directive – air transport | 1989 | 1990 |
| 3. NEW TECHNOLOGIES AND SERVICES | - ' | |
| 80. Directive on the full mutual recognition of type approval of terminal equipment | 1988 | 1990 |

VI. CREATION OF SUITABLE CONDITIONS FOR INDUSTRIAL COOPERATION 1. Company law 81.Liquidation of companies 1988* 1989 82.Proposal for a Directive on take-over 1988* 1989 bíds 83. Proposal for a Directive on the 1988 1990 relationship of undertakings in a group 84. Amendment to proposal for a Regulation on 1988 1990 the Statute for a European Company 2. Intellectual and industrial property 85 Proposal on the site of the Community trademark office and its working language 1988* 1988 86. Proposal for a Directive on legal 1988* 1989 protection of biotechnological inventions 87. Proposal for a Directive to protect 1988* 1989 computer programs

| PART THREE : THE REMOVAL OF FISCAL BARRIERS | | |
|---|-------|------|
| I. V.A.T. | | |
| 88. Passenger transport | 1988* | 1988 |
| 89. VAT Clearing house system | 1988* | 1989 |
| 90.Gradual abolition or reduction of excises not covered by the Common system and giving rise to border formalities | 1988* | 1988 |
| 91. Introduction of a linkage between national bonded warehouses for excise goods | 1988 | 1988 |