

COMPETENCES OF THE EUROPEAN UNION

What are the main competences of the EU?

The European Union is a union of law. This means that any action taken by the EU is based on the treaties, which have been voluntarily and democratically approved by all EU Member States. The treaties are negotiated and agreed upon by all EU Member States, and then ratified by national parliaments or by referendum.

Pursuant to Article 2 of the Treaty on the Functioning of the European Union (TFEU), the EU has the following competences:

- exclusive competence
- shared competence
- so-called support competence
- coordination of economic and employment policies

What does exclusive competence mean?

When the treaties confer on the Union exclusive competence in a specific area, only the Union may legislate and adopt legally binding acts. Member States may do so autonomously only if authorised by the Union or in order to implement EU acts.

The EU has **exclusive competence** in the following areas:

- competition rules,
- monetary policy,
- customs union,
- common commercial policy,
- conservation of marine biological resources under the common fisheries policy and international agreements concluded by it

The EU has exclusive competence for the conclusion of association agreements. The European Union has a more general competence to conclude agreements with third countries in the areas where it exercises the power to adopt legislation, and this in order to ensure effective implementation of Community policies. **When the subject of an agreement falls within the competence of both the EU and Member States, the participation of the EU and of the States themselves is necessary to its conclusion (so-called mixed agreement).**

What about shared competence?

In this context, it means that the EU and Member States may adopt, in accordance with Article 4 of the TFEU, binding acts in these fields. However, Member States shall exercise their competence only to the extent that the EU has not exercised or has decided not to exercise its competence.

The Union, whose intervention is an added value to the action taken by Member States, shall share competence with Member States in the following principal areas:

internal market, social policy, territorial, economic and social cohesion, agriculture and fisheries, environment, consumer protection, transport, energy, research, technological development, humanitarian aid and development cooperation.

Based on the case law of the European Court of Justice, the practice has progressively established according to which the EU has exclusive competence concerning acts falling within the four fundamental freedoms that make up the Single Market.

When does the EU exercise the so-called support competence?

According to Article 6 of the TFEU, the EU shall only support, coordinate or supplement the actions of Member States. Therefore, the Union has no legislative power in these fields and shall not interfere in the exercise of competence reserved to Member States.

In carrying out its support activities, the Union shall act only through measures coordinating or supplementing the action of Member States. In the areas where a support action by the EU is envisaged, the harmonisation of national legislation shall not take place under any circumstances (Article 2, paragraph 5, TFEU). Therefore, responsibility for the legal form adopted lies with Member States, which have in this way considerable freedom of action.

The areas of such action, in terms of European purposes, are the following: a) protection and improvement of human health; b) industry; c) culture; d) tourism; e) education, vocational training, youth and sport.

Coordination of economic and employment policies

The EU has specific competence in some areas, including the coordination of economic and employment policies (Article 5 of the TFEU): the EU has the competence to ensure such coordination.

The purpose of the coordination of economic policies continues to be to contribute to the achievement of EU objectives, and in particular to promote a harmonious, balanced and sustainable development of economic activities, to achieve a high level of employment and social protection, in order to ensure a sustainable and non-inflationary growth and to improve the competitiveness of economic performance across the Union.

The common foreign and security policy does not fall within the types of competence illustrated. In a statement it is nonetheless specified that the common foreign and security policy exercised by the European Union does not affect the competence of Member States in their national foreign policy, nor their position on the world political stage.

How are the main competences of the EU exercised?

This exercise is subject to three fundamental principles set out in Article 5 of the Treaty on European Union (TEU). The limits of EU competence greatly facilitate the proper application of these principles:

- the principle of conferral: the Union shall act only within the limits of the competences conferred upon it by the treaties;
- the principle of proportionality: the exercise of EU competence shall not exceed what is necessary to achieve the objectives of the treaties;

- the principle of subsidiarity: in the case of shared competence, the Union shall intervene only if it is able to act more effectively than Member States.