



## Plenary focus: Strasbourg plenary session 2-5 July 2012

**MEPs voted against controversial anti-counterfeiting agreement ACTA at the July plenary in Strasbourg. They also discussed what had been achieved during the Danish presidency in the first six months of this year and the priorities of the new Cypriot presidency.**

The Parliament voted on 4 July on ACTA, which without the Parliament's consent would not be able to enter into force in the EU. All five committees involved in ACTA came out against the agreement, but the recommendation to reject was not binding on MEPs.

Danish prime minister Helle Thorning-Schmidt discussed on 3 July what had been achieved during her country's presidency in the first half of 2012, while Cypriot president Demetris Christofias presented the priorities of the new presidency the following day.

MEPs also voted on 3 July on a resolution calling for all new cars to be fitted by 2015 with eCall devices to alert the rescue services in case of an accident and also debated with the Council and Commission complaints about the reintroduction of border checks between countries in the passport-free Schengen area on 4 July.

## Newsletter - 2-5 July 2012 - Strasbourg plenary session

### EU summit outcomes under scrutiny

Europe's economic concerns top yet another summit agenda as EU leaders meet on 28-29 June. The heads of state and government will also begin talks on the EU's budget for the next seven years. MEPs will debate the conclusions – on key topics such as a cross-border banking union and a debt redemption fund – with European Council President Van Rompuy and Commission President Barroso on Tuesday morning and vote on a resolution on Wednesday.

### Cyprus takes over EU presidency from Denmark

President Demetris Christofias will present the programme and priorities of Cyprus' incoming Council presidency "Towards a better Europe", followed by a debate with MEPs, at 9.00 on Wednesday. Prime Minister Helle Thorning-Schmidt will take stock of the Danish presidency on Tuesday morning.

### ACTA faces plenary verdict

The Anti-Counterfeiting Trade Agreement (ACTA) reaches a decisive stage when Parliament as a whole votes Wednesday on whether to consent to it. If Parliament says "no", then ACTA's prospects are dead so far as the EU is concerned.

### EU patent: final act

The EU should at last get a single patent system after thirty years of trying, if Parliament votes on Wednesday to endorse a deal with the Council brokered by MEPs in December 2011. The new EU patent would be much cheaper and easier to apply for than a bundle of national ones, and hence more competitive. Parliament helped adapt the proposed regime to small firms' needs.

### Mandatory emergency eCall system in cars would save lives

All new cars must be fitted by 2015 with eCall devices to alert the rescue services to road crashes automatically using the 112 emergency call system, say MEPs in a draft resolution to be voted on Tuesday. This would speed up the arrival of the emergency services, saving lives and reducing injuries, they add.

### Debate with Council and Commission on illegal border checks in the Schengen area

Complaints about the reimposition of border checks between countries in the Schengen border check-free area will be debated with the Council and Commission on Wednesday.

2013 budget: MEPs to call on governments to negotiate responsibly

New tachographs to track lorries

Parliament prepares to open up rail competition

Animal welfare: better enforcement and a non-stunned slaughter label

Basic banking services for all

New plans to safeguard water resources

More effective customs checks to protect property rights and consumer safety

Parliament to vote on project bonds

Spotlight on Syria, Egypt and Georgia

Three deals to improve trade terms with Russia

Free trade area must spread eastward

MEPs to help shape Commission priorities for 2013

MEPs to assess EU policy on the West Bank and East Jerusalem

Human rights and democracy resolutions

## Opening: EU patent law postponed, concern about developments in Paraguay

Parliament postponed its scrutiny of a draft EU patent law, in a surprise vote prompted by the Council's last-minute wish to delete three key articles. The rapporteurs argued that this would "emasculate" the proposal. President Martin Schulz voiced Parliament's concern at the dismissal of Paraguay's directly elected President Fernando Lugo and announced that it would send a delegation to investigate.

Parliament's vote on the European patent was postponed by a vote, requested by rapporteurs Bernard Rapkay (S&D, DE), and Klaus-Heiner Lehne (EPP, DE), in response to the Council's plan to delete three key articles on Tuesday morning, just before Parliament's debate.

Mr Rapkay reminded MEPs that the Council had pledged on 2 December 2011 to approve the law as it then stood, provided Parliament did likewise. To change it now would be a "scandalous breach" of procedure, he said, adding that the Council's haggling over the seat of the proposed patent court resembled an "oriental bazaar".

Mr Lehne backed the postponement request, stressing that deleting articles 6-8 would "emasculate" the proposals. If the Council did this, he said, the case "would go straight to the European Court of Justice".

The President noted that the Council's request in effect rendered the first reading null and void.

### Paraguay

President Schulz voiced Parliament's concern that the Congress of Paraguay had dismissed the republic's directly-elected President Fernando Lugo from office on 22 June.

He noted that MERCOSUR and UNASUR had refused to recognise the new government led by Federico Franco, and that a Commission of the Organization of American States was in Paraguay to investigate the causes of the conflict.

The European Parliament was also very concerned about the developments in Paraguay, and would send a delegation there "to assess the processes accurately and, if appropriate, to draw the necessary consequences", he added.

### Agenda changes

The debate on the EU-Israel agreement on conformity assessment and acceptance of industrial products was moved from Thursday to Tuesday, in place of the postponed item on EU patents.

## Customs needs better tools to enforce intellectual property rights

Pirated and counterfeit products cost European businesses €250 billion a year and some pose a risk to health and safety. One way to protect EU markets and consumers is to prevent them from entering the EU and customs authorities are best placed to do that. On Monday 2 July MEPs discussed a report by German Liberal Jürgen Creutzmann on how to strengthen customs enforcement of intellectual property rights.

"Large parts of the economic growth and jobs in the EU depend on the effective enforcement of intellectual property rights...customs authorities are in a comparatively good position to enforce" them, Creutzmann says.

The new rules would set down procedures enabling customs authorities to stop suspected goods, but deciding what infringes intellectual property rules would continue to be defined by EU and national legislation.

The Commission proposal extends the scope of the rules to include illegal parallel trade (trade in goods not approved by the rights holder through unapproved channels) and look-alike trade marks.

It also proposes that people receiving small postal consignments of counterfeit goods would be given the option of agreeing to their destruction without having to pay the costs of storage and destruction. The EP report wants small consignments to be defined as less than 3 items, weighing less than 2 kilos and contained in one package. It also wants the customer to have a say before the goods are destroyed.

The EP report also expresses concern that the measures could hamper the legitimate trade in generic drugs between non-EU countries and stresses that intellectual property legislation applies only to goods being delivered in the EU and not to goods transiting through Europe.

It also calls for a Commission analysis of the effectiveness of current customs measures aimed at combating trade in falsified medicines.

### Intellectual property infringements

- pirated, counterfeit goods cost EU business €250 billion a year
- 14.5% of detained articles in 2010 for daily use (foods, beverages, body care, medicines, electrical household goods, toys)
- customs registered 43,572 cases (118 million articles) of counterfeiting, piracy in 2009
- 79,112 cases of counterfeiting and piracy registered by customs in 2010
- Sharp rise in counterfeit and pirated goods shipped by post via online sales

## **"Name and shame member states dragging their feet over animal welfare" - MEP Marit Paulsen**

There's not enough pressure on member states to apply EU rules on animal welfare, says Swedish MEP Marit Paulsen. To remedy this, the Liberal Democrat proposes in an own initiative report tighter monitoring of implementation to name and shame the offenders. MEPs approved it in plenary on Wednesday 4 July.

### **You propose a common animal welfare strategy for the EU. How good are we at caring for our animals in Europe?**

We're certainly not the best in class. But I would say about a third are doing ok. Then you have a big mid-section where it varies greatly from farm to farm, but where the entire system is unfortunately supported by antibiotics. Now only Sweden and Denmark keep precise records on antibiotic use, something which has a great impact on public health.

Below that, you have member states which haven't got a clue what we're talking about. This is why we are now trying to build a foundation. At the moment, we just have a bunch of scattered rules. We need a common definition: what is animal welfare? Then we build the directives on that.

Such a definition could be decisive as free trade becomes increasingly important in agriculture and with the US, Canada and Australia currently at the forefront of the animal welfare debate.

### **But do the consumers take animal welfare into account in the supermarket?**

Only about 15-20% actually shop the way they say they do. People still feel they've got themselves a bargain when they find pork tenderloin at the supermarket for three euros. But what kind of life do they think that pig had - at that price?

### **You're proposing "legal milestones" to ease implementation. Is this needed?**

Take the laying hen directive: it's been close to 12 years. For the new EU countries it's only eight years, but they knew coming in what was asked when they joined and they agreed. The Commission's hands were tied until January 2012 and that meant everyone could just ignore it.

If you have an expensive restructuring like that with a long period of transition, I say you need one or two milestones along the way. It's not about giving Commission the right to take them to court, it's just about checking: how many new cages do you have? What actions are planned for the coming two to three years? Sometimes, it's good to point the finger at member states. It puts the issue back on the agenda.

### **Name and shame?**

Indeed. And this is not just something needed in animal welfare legislation. If this passes, I expect legal milestones will be made standard practice for any EU legislation with a longer implementation period.

## **Life-saving emergency eCall system should be mandatory, say MEPs**

All new cars must be fitted by 2015 with eCall devices to alert the rescue services to road crashes automatically, using the 112 public emergency call system, say MEPs in a resolution adopted on Tuesday. This system would enable rescue services to arrive faster, saving lives and reducing injuries, adds the non-binding resolution.

"The European Parliament has given its clear support for all motorists in Europe to benefit from an emergency call system free of charge. Since the voluntary approach has failed, we urge the Commission to propose legislative measures as soon as possible to ensure the eCall system will be mandatory in all EU countries by 2015", said co-rapporteurs Olga Sehnalova (S&D, CZ) and Dieter-Lebrecht Koch (EPP, DE).

The resolution regrets delays in the voluntary deployment of eCall to date and the small proportion of cars fitted with it (only 0.4%). It urges the European Commission to table legislation to make the eCall system mandatory by 2015. MEPs also call on the Commission to consider extending this system to other vehicles, such as motorcycles, buses, coaches and trucks in the near future.

### **Golden hour**

The in-vehicle eCall system uses 112 emergency call technology to alert the emergency services automatically to the location of serious road accidents. This should save lives and reduce the severity of injuries by enabling qualified and equipped paramedics to get to the scene within the first "golden hour" of the accident, says the resolution.

The eCall system could save up to 2,500 lives a year and reduce injury severity by 10 to 15%, it adds.

### **Free of charge**

MEPs believe that the public eCall service should be mandatory and available free of charge to all drivers in Europe, irrespective of the make of their vehicles.

### **Technology is ready**

MEPs point out that the necessary technology is available and that common EU-wide standards have been agreed. They therefore call on the Commission to table legislation requiring EU member states to upgrade their emergency response service infrastructure so that it can handle eCalls by 2015.

### **Data protection**

The resolution stresses that the eCall service must not be used to monitor a person's movements or determine his or her location unless that person has been involved in an accident. The main purpose of the system is to improve incident management, the text adds.

The resolution was adopted by a show of hands.

*Procedure: non-legislative resolution*

## European Council: MEPs warn new laws need to be adopted soon in order to overcome crisis

A long overdue step in the right direction: that is how most MEPs assessed the results of the European Council on 28-29 June. Plans agreed at the summit include a compact for growth earmarking €120 billion to support growth in the EU, a single supervisory mechanism for European banks and a possibility of their direct recapitalisation. However, MEPs warn that in order to truly overcome the crisis, the EU will need to quickly adopt concrete legislation.

### Sense of urgency

June's Council summit was debated by MEPs during a plenary session in Strasbourg on 3 July. Council president **Herman Van Rompuy** told the Parliament that member states made decisions that will stabilise the markets, enhance growth and stabilise the monetary union. The aim is to avoid that the recapitalisation of banks will aggravate member states' public debt situation. Mr Van Rompuy also said that the EU's budget for 2014-2020 should support economic growth and the creation of new jobs.

European Commission president **José Manuel Barroso** added that a sense of urgency was very present at the Council summit. The Commission has always emphasized that consolidation must be accompanied by sustainable growth: "solidarity with responsibility". The debate on growth, however, cannot be separated from the debate on the EU's long-term budget framework, Mr Barroso warned, calling for a deal by the end of the year.

The Commission president stressed that the European banking union is an indispensable step towards progressing towards a true economic and monetary union. Meanwhile the Parliament should be closely involved in any discussions of the EU's future in order to safeguard its democratic legitimacy, he said.

### Political integration

**Joseph Daul**, the French leader of the EPP group in Parliament said: "The roadmap towards political integration in Europe is hardly ready, but of course a certain progress has been achieved this time. The economic country-specific recommendations made by the Commission and the document presented by Mr Van Rompuy goes in the right direction because it finally points out a *political* Europe as being the ultimate goal."

**Hannes Swoboda**, the Austrian leader of the Social-Democrat group, said: "We have to change, otherwise Europe will die as a whole. There is light at the end of the tunnel." Talking about Finnish and Dutch reservations about the deals, he said that the prime ministers have to sign what they said in Brussels. He reiterated the need for a common banking supervisor.

**Guy Verhofstadt**, the Belgian leader of the ALDE group, welcomed the Council's decisions, as they bought some time, but at the same time urged concrete and immediate action. By September, the Commission should come forward with a legislative package on creating a real banking union and an integrated budgetary framework with a redemption fund.

**Rebecca Harms**, the German co-chair of the Greens group, said the European Council had understood that the EU is dealing with a currency crisis, not a state-debt crisis. She said the euro could work if there was a common fiscal policy, a common supervision and a banking union.

### National interests

**Martin Callanan**, a British member of the ECR group, said the Council showed that even for eurozone countries the mentality is still one of maximising national interests. "I fully support national governments fighting their corner but the euro was never a tool aimed at helping countries to defend their national interests."

**Gabriele Zimmer**, a German member of the GUE/NGL group, said: "We can not just go from summit to summit, you have to look at people across the European Union that have elected the members of the European Parliament and let them debate."

# Focus

**Nigel Farage**, the British leader of the EFD group pointed out that this was the 19th summit on the crisis. He said that although it was labelled a breakthrough afterwards, there is nobody who believes it. The bail out stability mechanism has failed before it has started as it is not credible. In his view the euro crisis is insoluble and it is aggravated by lack of leadership.

## **ACTA debate: MEPs disagree about the best way forward**

Although most MEPs rejected ACTA on Wednesday 4 July, some of them believed it would have been better to postpone the vote. The Commission asked the European Court of Justice in May to check the agreement does not violate European legislation. Some MEPs argued it would be better to wait for the Court's ruling, while others said there was no need as they felt there were already sufficient grounds for a rejection. We asked two MEPs about their position on ACTA.

### **Amelia Andersdotter, a Swedish Pirate Party member of the Greens/European Free Alliance group in Parliament**

It's fundamentally a bad idea to outsource the rule of law to private companies. If the state feels that duties must be put on private parties to ensure any rights granted by the government, surely it should feel obliged to regulate the private parties directly? This is a real and tangible risk to the freedom of expression, opinion and creativity. This is the first objection to ACTA and an important one too.

It seems counter-intuitive to have such a strong push for the criminalisation of infringements. The broad range of activities which would be covered by the criminal provisions of ACTA include activities which for a large part of the European population would be seen as perfectly reasonable and socially acceptable. Criminalisation is the punishment we use for activities that are deemed socially unacceptable.

The injunction scheme introduced is seen as harmful to trade in generic medicines, which in many cases do not infringe on any rights in either origin or destination market. When customs authorities get an overly broad mandate, it also increases the risk of wrongful seizures of imports into the Union. Since the ensuing court cases are very time consuming and financially burdensome for the accused party, it effectively does not matter if the accusation was made in error since the opportunity to defend one's innocence is too small.

I want a balanced European policy for entrepreneurship and civil liberties. This is why I reject ACTA.

### **Christofer Fjellner, a Swedish moderate member of the EPP group in Parliament**

I'm convinced that we do need an international agreement to fight counterfeiting, piracy and other violations against intellectual property. This is of the utmost importance for European innovation and jobs. ACTA has been surrounded by controversy from the start, the closed process has been rightly criticised. The EU, the Parliament and myself were all at the fore of this. Because of this, we now have access to the most comprehensive documentation of any trade negotiation I've ever been involved in. Despite this, the agreement has faced continuous criticism and has also been the subject of many demonstrations both in member states and on the internet. Believe me, this is a very serious issue for me. I have worked long to protect freedom on the internet and will continue to do so. I would never vote yes to a proposal that in any way endangers the freedom we take for granted, nor would the EPP. This is why I believe it is so important that we await the ruling of the court. This way, we would have legal guarantees that ACTA is not in violation of any of the treaties or the basic human rights. We must also give the Commission the time to clarify and better define two key points: what is meant by commercial scale and criminal sanctions. If the Court's opinion is that ACTA is incompatible with the treaty, that would provide us with some very useful information too about what went wrong so it can be changed for future contracts. This is why we should give the Court the opportunity to decide whether ACTA is the way forward to achieve what we need.

## **David Martin on ACTA: law negotiated in secret is usually bad law**

The controversial ACTA agreement was rejected by the Parliament on 4 July, meaning it will not enter into force in the EU. British Labour MEP David Martin, who was responsible for steering the text through Parliament, asked MEPs to turn it down in his recommendation. We spoke to him before the vote took place about ACTA, lessons to be learnt and possible next steps.

### **How do you interpret the international trade committee voting in favour of rejection?**

When it comes to a vote between commercial interests and civil liberties, the Parliament will always come down on the side of civil liberties. There was no-one against the idea of the EU defending its intellectual property. The debate was whether ACTA was the right vehicle to do that and the clear conclusion of the vote is that it is not.

### **What lessons can we learn from ACTA when negotiating a new international treaty on intellectual property?**

It should be as open as possible. Law negotiated and pushed through in secret is usually bad law. Also the Commission needs to keep Parliament fully informed of each round of negotiations on trade matters and listen to what we are saying on each subject. When the European Parliament found out that the three strikes rule was potentially being included, we made it very clear that this would be unacceptable and that was dropped from the negotiations.

Had we been involved earlier, they might also have thought of having separate agreements for physical goods and virtual goods. If they had done that, then the one on physical goods would have gone through the Parliament with virtually no comment. Nobody accepts fraudulent medicines or fake Gucci bags coming into the EU. But the freedom of the internet was a much more sensitive issue.

### **What would have been the benefits and disadvantages of Parliament waiting for the ruling from the European Court of Justice on ACTA?**

If you are in favour of ACTA, then it is a very rational thing to do. But if you're against ACTA, there is no point waiting for the ruling, because no matter what the court says, your position doesn't change.

### **What do you think of trade commissioner Karel De Gucht's suggestion to send ACTA back to Parliament with clarifications once there is a court ruling on the agreement?**

Karel De Gucht is also a very eminent lawyer, so I was a little bit puzzled by his comments. No assurances the Commission could give to the Parliament would change a legal text.

## European Parliament rejects ACTA

The Anti-Counterfeiting Trade Agreement (ACTA), was rejected by the European Parliament on Wednesday, and hence cannot become law in the EU. This was the first time that Parliament exercised its Lisbon Treaty power to reject an international trade agreement. 478 MEPs voted against ACTA, 39 in favour, and 165 abstained.

"I am very pleased that Parliament has followed my recommendation to reject ACTA" said rapporteur David Martin (S&D, UK), after the vote, reiterating his concerns that the treaty is too vague, open to misinterpretation and could therefore jeopardise citizens' liberties. However, he also stressed the need to find alternative ways to protect intellectual property in the EU, as the "raw material of the EU economy".

The EPP's key ACTA advocate, Christofer Fjellner (EPP, SE), asked before the vote that Parliament should delay its final vote until the European Court of Justice has ruled on whether ACTA is compatible with the EU treaties. However, when a majority of MEPs rejected this request, a substantial minority responded by abstaining in the vote on Parliament's consent.

While debating whether to give its consent to ACTA, Parliament experienced unprecedented direct lobbying by thousands of EU citizens who called on it to reject ACTA, in street demonstrations, e-mails to MEPs and calls to their offices. Parliament also received a petition, signed by 2.8 million citizens worldwide, urging it to reject the agreement.

ACTA was negotiated by the EU and its member states, the US, Australia, Canada, Japan, Mexico, Morocco, New Zealand, Singapore, South Korea and Switzerland to improve the enforcement of anti-counterfeiting law internationally. Wednesday's vote means that neither the EU nor its individual member states can join the agreement.

*Procedure: Consent*

## 2013 budget: MEPs call on governments to negotiate responsibly

Member states should not make any "artificial" cuts in the EU budget for 2013 or cause unnecessary deadlock by disagreeing over calculation methods during the 2013 budget negotiations, MEPs said on Wednesday. Approving a mandate for Parliament's budget negotiations with member states, on 9 July, MEPs also underlined that the budget must focus on growth and jobs and called for a single seat for the European Parliament.

"This vote takes place at a crucial moment for today's Europe. I believe that, after the European Council summit of 28-29 June, in which the heads of state or government decided on a 'Compact for Growth and Jobs', we have to ask member states to follow up these conclusions and invest the necessary resources to exit the crisis," said rapporteur Giovanni La Via (EPP, IT).

Budget negotiations in the past few years have been dominated by disagreements over how to calculate the level of payments in the budget and for this round MEPs urge member states which have doubts about the Commission's estimates to clarify them as quickly as possible, so as to avoid blocking an agreement, as happened last year.

MEPs deplore the Danish Presidency's failure to show up for a meeting held to reach a common understanding on payments. They also recall that the payment appropriations proposed by the Commission are based on the member states' own estimates of payment needs and call on the Commission to check with them that any requests for payment increases are accurate and realistic.

Parliament instructs its negotiating team, led by Giovanni La Via (EPP, IT) to protect budget means earmarked for growth and jobs and other areas where the EU budget can deliver added value, whilst acknowledging that the budget could be reduced in areas where the take-up of EU funds is being unjustifiably delayed or their absorption rates are low. MEPs believe that the EU, in the context of austerity policies underway, must show responsibility and take immediate, concrete measures to establish a single seat for Parliament.

The suggested budget for 2013 is €151 billion in commitment appropriations (i.e. +2 % compared to the 2012 budget) and €138 billion in payment appropriations (i.e. +6.8 % compared to the 2012 budget). The increase in payments is comparatively high, not only because payment levels were kept artificially low in previous years, which meant the payment of bills had to be postponed to later years, but also because spending on multiannual programmes reaches its cruising speed by the last year of the current long term budget.

### Commitments and payments

For each budget line, there are two different types of budget appropriations: commitments and payments. Commitments refer to how much the EU may commit itself to spend (e.g. sign a contract or start a tender procedure) in a certain year. The payment level regulates the actual payments made for that year.

The resolution was passed with 540 votes in favour, 93 against, and 52 abstentions.

### Next steps

The three-way budget talks (Commission, Council and Parliament start on 9 July and will be followed by the first Council vote, scheduled for 26 July. MEPs will vote in committee in early October and in plenary on 23 October. If there is no agreement at the first reading, Council/Parliament conciliation talks will take place from 24 October to 13 November, with a view to approving the final budget at the 19-22 November plenary session.

*Procedure: own-initiative preparing budget procedure*

## **Eurozone crisis: not just roadmaps but legislation needed by September**

The latest European Council conclusions go in the right direction in tackling the Eurozone crisis but the situation is so urgent that the Commission must table legislation by September in order to implement the four concepts in the Van Rompuy policy paper rapidly, says the EP in a resolution passed on Wednesday setting out its formal response to last week's summit.

The resolution, adopted by a large majority (501 votes to 132, with 38 abstentions), welcomes the steps taken to break the vicious circle between banks and sovereign debt and the commitment to growth-friendly fiscal consolidation. It also hails the summit conclusions as "an important step on the road to a fully fledged banking union".

The Van Rompuy paper is a "good starting point", says Parliament, but more work is needed, and this must involve not only the EU institutions and national parliaments but also the social partners and civil society (para 9).

MEPs welcome the commitment to making the EU budget a tool for growth but stress that agreement on the multi annual budget plan can only be reached if the EU's own resources system is reformed.

*Procedure: non-legislative resolution*

## EP wants access to basic banking services for all

About 30 million adult EU citizens do not have a bank account, including the homeless and people with a low or irregular income. In a resolution adopted on 4 July, MEPs say that everybody should have access to basic banking services and call on the Commission to tackle this financial exclusion.

The majority of MEPs believe that legislation is needed at EU level because previous Commission recommendations have led to results in only a few countries. However, some MEPs argue that decisions about attracting prospective customers should be left up to the banks themselves.

### What is being proposed

Jürgen Klute, a German member of the Confederal Group of the European United Left - Nordic Green Left, was responsible for steering the resolution through Parliament. In his report he wrote that banks and other institutions offering payment accounts should not be able to refuse granting such an account on grounds such as low income, type of employment, credit history, or level of indebtedness. Payment service providers should be required to ensure that among the products that they offer the basic payment account is always the most affordable account for basic transactions. The resolution also asks the Commission to submit by January 2013 a proposal for a directive ensuring access to basic payment services to all consumers legally residing in the Union.

The basic account would allow a person to carry out any essential payment transaction such as receiving income or benefits, paying bills or taxes, or buying goods and services.

#### Financial services you can bank on?

- 7% of the EU's adult population - about 30 million people - do not have a bank account
- 6.4 million of those have not asked for a bank account or have been deprived of it
- The member states with the highest percentage of citizens without bank accounts are Romania and Bulgaria: about 50% of the adult population

## MEPs call on Commission to do more to defend free movement

Concerns about allegedly illegal border checks being carried out in the Schengen visa-free area resurfaced on 4 July, when MEPs raised the issue of mobile controls along Dutch borders and German authorities checking Czech buses in a debate with the Commission and the Council. MEPs from most political groups criticised this and called on member states to respect Parliament's right to legislate on arrangements for evaluating the functioning of the Schengen visa-free travel agreement.

### Border-free travel

Andreas Mavroyiannis, the Cypriot minister for European affairs, said: "I want to assure you that this decision [to change the legal basis for decisions on Schengen] was taken for legal reasons. The Council was not motivated by a wish to exclude the Parliament from the process. On the contrary: we want the parliament to be fully involved."

Cecilia Malmström, the commissioner for home affairs, said the possibility to travel without border controls was "one of the most valuable rights". She added the Commission would not hesitate to initiate infringement procedures if necessary. Ms Malmström said she was still missing data on the checks on Czech buses at the German border. Concerning mobile surveillance in the Netherlands, she said the controls did not represent a violation of the Schengen borders code, although a court judgement on the case was still due.

German Christian-Democrat Manfred Weber called on the Council to withdraw its decision on the legal basis: "The Council has managed to jeopardise one of the greatest Europe's achievements: a border-free internal space."

### Need for a bolder Commission

French Social Democrat Sylvie Guillaume commented: "We need to be able to count on the Commission being courageous and not hesitating to use its powers, in particular when fundamental rights such as free movement are being undermined. Only European solidarity and a community approach will allow us to respond to the challenges of certain borders being vulnerable."

Romanian Liberal-Democrat Renate Weber criticised member states' attempts to curtail free movement. She also urged the Commission to be more proactive in defending free movement: "If the European Commission continues with only half measures, never daring to start infringement procedure, I am afraid we will wake up one morning realising that free movement no longer exists."

### The role of member states

Dutch Green MEP Judith Sargentini said: "We see that member states constantly push the limits of what's possible within the Schengen rules. Member states fail to accept them and are using all kinds of different methods to try and circumvent them." She said that instead of upholding the fundamental principle of free movement, the Commission was actually supporting illegal controls, such as for example those in the Netherlands.

British Conservative Timothy Kirkhope emphasised that national security still remained the sole responsibility of each member state. However, to him it seemed that this Parliament wanted member states to increasingly have less control over their borders.

Cornelia Ernst, a German member of the Confederal Group of the European United Left - Nordic Green Left, said: "Politically motivated breaches of Schengen rules are unacceptable. Not just buses are checked but people are checked, particularly if they are dark skinned... This is a breach of law!"

Mara Bizzotto, an Italian member of the Europe of freedom and democracy Group, said the day the Council took the decision to allow member states to resume border checks, a braver Europe was born.