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Highlights

Top Stories from the European Parliament 2004-2009

Over the last five years the European Parliament has taken decisions ranging from major turning points to the routine; Parliament has held debates on essential political issues of the day and on highly complex technical matters; there have been very close votes and others with an overwhelming majority. Here we present our **"Top Stories"**, the highest-profile debates and votes of 2004-2009.

Each item traces a decision taken in Parliament and explains its implications. Where appropriate, we have also set out some of the political views expressed on the different sides of each argument.

Contact :

Richard FREEDMAN

E-mail: press-EN@europarl.europa.eu

BXL: (32-2) 28 41448

STR: (33-3) 881 73785

PORT: (+32) 498 98 32 39

REACH: reducing chemical risks without penalising industry

Ambitious legislation on chemicals, placing the onus on industry to show that its products are safe, was passed by Parliament in December 2006. The "REACH" (Registration, Evaluation and Authorisation of CHemicals) regulation requires the registration of some 30 000 of the 100 000 chemical substances on the market. The legislation aims to increase the safety of chemical products and promote alternatives to animal testing, while enhancing competitiveness and facilitating trade. When it entered into force in June 2007, it replaced some 40 previous laws.

In three years' debate with the European Commission and Member States, Parliament made important changes to the draft regulations, which include an obligation to replace the most hazardous substances with safer alternatives where these exist, a manufacturer's "duty of care" for health and the environment, and a requirement to promote alternatives to animal testing.

The REACH regulation, formally proposed by the Commission on 29 October 2003, replaces some 40 previous pieces of legislation. It aims to gather more information on the safety or otherwise of around 30 000 substances first placed on the market before 1981 (since when formal applications for authorisation have been required) and manufactured or imported in quantities of over one tonne per year.

Public health vs. chemical industry competitiveness

Modern society cannot do without chemicals and the industry is crucial to the EU economy. But chemical production and use may also pose risks to health and the environment. Chemicals are thought to be at least partly to blame for the rise in ailments such as allergies, asthma, some forms of cancer and reproductive problems. But information is inadequate, because in many cases, insufficient research has been done.

The most controversial question in long and intensive debates in Parliament was how to balance protecting public health and the environment with safeguarding chemical industry competitiveness. At the outset, views differed markedly between political groups and committees, particularly on registration and authorisation requirements. Compromise amendments were gradually hammered out to win the backing of a majority in Parliament.

Alleging that extreme positions on both sides of the issue had endangered the talks, Parliament's rapporteur Mr Guido **Sacconi** (PES, IT) said: "Parts of the industry lobbied heavily to have the proposal rejected or watered down so that it would not work. Against this, the most radically pro-environmental positions could have jeopardised the chances of the project seeing the light of day".

Commenting on the vote, EPP-ED group spokesperson Ria **Oomen-Ruijten** MEP (NL) said "the chemical industry is of vital importance to the EU. It is worth €440bn per year. Around 1.3 million people are employed in 27 000 companies. The new chemical regulation will restore confidence in the sector and in the use of chemical substances. As a result of the regulation, more than 30 000 substances, including their most important characteristics, will be registered at the European Chemical Agency within 11 years."

The Helsinki-based European Chemicals Agency (ECHA), started work in June 2007 and has been able to accept registrations since 1 June 2008.

Registration and safety reports

The approved text requires EU manufacturers and importers of chemicals produced or imported in quantities over one tonne per year to demonstrate their safety with evidence in a registration dossier submitted to the European Chemicals Agency. Failure to register will mean the substance must not be imported or manufactured in the EU.

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MEPs and the Council finally agreed to reduce information requirements for the registration of substances produced in quantities of less than 10 tonnes per year. For quantities over and above 10 tonnes per year, a Chemical Safety Report is also required to document the safety assessment of the substance. Such a report is not needed for lesser quantities.

Authorisation of hazardous substances

REACH also requires authorisation of substances rated as being "of very high concern". This authorisation was one of the most controversial issues in Parliament, whose compromise restores environment and health protection to the heart of the system by limiting the duration of authorisations for the most hazardous substances and requiring that they be replaced with safer alternatives as these become available.

It is estimated that of the 30 000 substances to be registered with REACH around 3 000 are considered hazardous and hence are subject to the strict authorisation procedure – with no guarantee that they will be able to remain on the market. Hazardous substance manufacturers are required to submit plans to replace them with safer alternatives. Where no alternative exists, manufacturers must present a research plan to find one.

"More than 17 000 chemicals produced in very small quantities will not have to undergo rigorous examination, but hazardous products will be subjected to greater control than ever before. Persistent, bio-accumulative and toxic chemicals, plus hormone disrupters, will now have to be taken off the market if suitable alternatives are available", said ALDE environment spokesman and REACH negotiator Chris **Davies** (UK).

The most hazardous and largest volume chemicals must be registered by 1 December 2010, while safer and lower-volume ones may wait until 1 June 2013 or 1 June 2018, depending on the degree of risk and annual production volumes.

Burden of proof

REACH transfers the burden of proof (i.e. testing and evaluating chemicals to establish their safety) from the authorities to industry. The old regulatory structure had failed to assess the estimated 100 000 chemicals already on the market. Over 20-25 years about 140 had been identified as needing a full risk assessment; of those, only 40 had been studied.

Duty of care and animal testing

At Parliament's request, the regulation also imposes a "duty of care" on manufacturers to ensure that human health and the environment are not adversely affected and to inform the public of dangers. It also includes safeguards for confidential information and provisions to prevent the duplication of animal testing. Promoting alternatives to testing chemicals on animals was a prime concern for MEPs, and is now a REACH goal.

Implementation

Its ambition, scope and technical complexity made REACH one of the most substantial pieces of legislation ever examined by the European Parliament. No fewer than 10 parliamentary committees were involved and the text, which exceeded 1,000 pages at first reading in November 2005, was still 750 pages long at the end.

"In looking carefully at the practicability of the rules, we paid special attention to small and medium sized businesses. REACH will secure the 'One Substance One Registration' principle. This means that producers of the same substance can use a shared registration system and share costs proportionately. By avoiding duplication of scientific tests, the system will also cut overall costs for industry. There is more flexibility for small-scale production – and the Commission will have to offer small firms guidance on how to implement the system", said Mr Sacconi.

Irish MEP Liam **Aylward** (UEN) felt that the Parliament and the Council of Ministers had "worked hard to ensure that the burden for industry, and particularly smaller companies, is not too costly, (...) whilst still delivering a win-win situation for citizens, workers and our ecosystem."

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Other MEPs' views

Not all political groups were happy with the final outcome. The Greens and the GUE/NGL group had put forward an alternative plan with more stringent requirements on the substitution of dangerous chemicals and tougher demands on industry to provide information on the chemicals they produce. "Today the European Parliament has failed citizens" said Swedish GUE/NGL member Jens **Holm**. "What appears to be an adequate legislative package is actually full of loopholes.

And Carl **Schlyter**, another Swedish MEP but from the Greens, said that "the EP has rubber-stamped the deal on REACH. (...), though it is far too early to judge if the new regulation will offer much greater protection to EU citizens from hazardous chemicals."

By contrast, Dutch MEP Hans **Blokland** (IND/DEM) consoled critics by saying that "the better is the enemy of the good. Without a compromise the entire proposal might have been withdrawn or rejected."

CIA activities in Europe: European Parliament denounces secretiveness of some Member States

Over one thousand CIA flights used European airspace and secret detention facilities may have been located at US military bases in Europe, according to the European Parliament's Temporary Committee on CIA activities. Its final report, adopted in 2007, deplores the passivity of some Member States in the face of illegal CIA operations and also the Council's lack of cooperation.

According to the Temporary Committee's final report, adopted by Parliament on 14 February 2007, certain European countries have been 'turning a blind eye' to flights operated by the CIA which 'on some occasions were being used for extraordinary rendition or the illegal transportation of detainees'.

The report highlights that 'secret detention facilities in European countries may have been located at US military bases' and that 'there may have been a lack of control' over these bases by host European countries.

With the above in mind, Parliament asked the Council to 'put pressure on all the governments concerned to give full and thorough information to the Council and the Commission and, where necessary, to start hearings and commission an independent investigation without delay'.

Subsequently, in the absence of any response from the governments concerned, the Members of Parliament's Committee on Civil Liberties, Justice and Home Affairs, responsible for following up this matter, set up a working group for this purpose, chaired by Carlos **Coelho** (EPP-ED, PT) and Claudio **Fava** (PES, IT), respectively the former chairman and rapporteur of the Temporary Committee.

This group proposed to the Committee on Civil Liberties, Justice and Home Affairs that the Member State parliaments be contacted directly in order to find out whether any new information had come to light in the meantime. This consultation is currently ongoing.

CIA flights

'At least 1 245 flights operated by the CIA flew into European airspace or stopped over at European airports between the end of 2001 and the end of 2005', although, as emphasised by MEPs, 'not all those flights were used for extraordinary rendition'.

Working documents published by rapporteur Claudio Fava 'provide strong evidence of the extraordinary renditions analysed by the committee, as well as of the companies linked to the CIA ... and the European countries in which CIA aircraft made stopovers'. In their report, MEPs mention 21 well-documented cases of extraordinary rendition in which victims were

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transported via a European country or were residents in a Member State at the time of their kidnapping. With this in mind, the report 'calls on European countries to compensate the innocent victims of extraordinary rendition'.

Parliament therefore condemned these renditions 'as an illegal instrument used by the United States in the fight against terrorism' and also 'the acceptance and concealing of the practice, on several occasions, by the secret services and governmental authorities of certain European countries'. As a result, MEPs called on the Council and the Member States 'to issue a clear and forceful declaration calling on the US Government to put an end to the practice of extraordinary arrests and renditions'.

Use of torture

The report notes that the renditions analysed by the Temporary Committee in the majority of cases involved incommunicado detention and torture during interrogation, as confirmed by the victims – or their lawyers – who gave testimony to Parliament's Temporary Committee on the CIA's illegal activities in Europe. According to the testimony of the former UK Ambassador to Uzbekistan, Mr Craig Murray, the sharing of intelligence obtained under torture by third countries' secret services with the British secret services was a practice known and tolerated by the UK Government.

In light of the available evidence, MEPs note that there is a 'strong possibility that some European countries may have received [...] information obtained under torture'.

Reluctance to cooperate

MEPs also regretted 'the lack of cooperation of many Member States' and of the Council of the European Union towards the Temporary Committee and explained that 'the serious lack of concrete answers to the questions raised by victims, non-governmental organisations (NGOs), the media and parliamentarians has only served to strengthen the validity of already well-documented allegations'. The Council, they explained, had initially withheld and then supplied only piecemeal information on the regular discussions held with senior US officials. The report qualifies this attitude as 'wholly unacceptable'. According to the report, such 'shortcomings' of the Council 'implicate all Member State governments since they have collective responsibility as members of the Council'. As highlighted by MEPs in the report, the 'principle of loyal cooperation enshrined in the Treaties – which requires Member States and the EU institutions to take measures to ensure the fulfilment of their obligations under the Treaties, such as the respect for human rights, ... has not been respected'.

The national governments specifically criticised for their unwillingness to cooperate with Parliament's investigators were those of Austria, Italy, Poland, Portugal and the United Kingdom. The report also gives detailed evidence of investigations of illegal rendition or CIA flight cases involving Bosnia, Cyprus, Denmark, the Former Yugoslav Republic of Macedonia (FYROM), Germany, Greece, Ireland, Romania, Spain, Sweden and Turkey.

MEP views

The final report gained far from unanimous approval: it was approved with 382 votes in favour, 256 against and 74 abstentions. The rapporteur, Giovanni Claudio **Fava** (PES, IT), declared himself 'satisfied with the vote' as only a third of MEPs rejected his report. He said that this reflected 'the autonomy of the European Parliament from national governments'. According to Sarah **Ludford** (ALDE, UK), 'no one likes to criticise their own country, but this report shows that there was indeed active collusion or equivocation by certain governments. Responsible MEPs cannot sit back and do nothing: we have a duty to our citizens'.

'Although the report proves the allegations and points the finger at the US and the injustice of Guantanamo, it also shows that the European countries have not simply been spectators, but have also, in some cases, supported this injustice', said Cem **Özdemir** (Greens/EFA, DE). The European United Left's accusation was couched in more general terms. 'The US strategy was implemented thanks to the complicity of European governments, their secret services and also the European institutions' said the Italian MEP Giusto **Catania**.

Against the report

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However, some groups criticised the lack of evidence and refused to vote in favour of the report. As Jas **Gawronski** (IT) said, on behalf of the EPP-ED group: 'The Temporary Committee has found little evidence. However, the wording of the report suggests that the European countries were massively involved in the illegal arrest and rendition of detainees.'

The UEN Group also voted against. Konrad **Szymanski** (PL) said: 'We cannot say that this is a case of criminal activities perpetrated by secret services, just because of these flights. Flights are normal occurrences and many countries cooperate with the CIA, especially since 11 September; there is nothing surprising about that!'. Gerard **Batten** (IND/DEM, UK) rejected the report due to its 'inherent anti-Americanism'. He claimed that the majority of its content was purely 'speculative'. Finally, Luca **Romagnoli** from the ITS Group called for the report's conclusions to be 'decisively rejected' as 'tenuous' given that, in his opinion, they were based largely on media reports.

Liberalising services without touching the European social model: mission accomplished for the EP

As from the end of 2009, service providers – from travel agents to office maintenance staff – will be able to pursue their occupation anywhere in the EU thanks to the entry into force of one of the most important texts dealt with by the European Parliament over the past few years. The 'Services Directive', proposed by Commissioner Bolkestein in 2004, had aroused deep concern throughout the EU until it was completely rewritten by the EP, ultimately achieving an acceptable result.

The aim of this directive is to realise the fourth fundamental freedom underpinning European integration, after the free movement of persons, goods and capital, without lowering the social standards of the Member States. The difficulty of the issue at hand was to balance the interests of consumers, workers and service providers, against a background of conflict between advocates of liberalisation and defenders of social standards. However, Parliament eventually managed to resolve this dilemma. After protracted, difficult discussions, its political groups managed to reach a compromise which was accepted by governments.

The tertiary sector accounts for almost two-thirds of the EU economy. But in order to benefit from this market, it had to become more competitive and open. The proposal for a directive on services, as presented by the Commission in early 2004, had caused so much controversy as to affect the French rejection of the Constitution. The main issue in question was the 'country of origin principle', which would have allowed service providers to operate in another Member State under the same conditions as in their country of origin. In the European Parliament, as in EU public opinion, some feared that this would pave the way to unhealthy competition between Member States, and social dumping, while others stressed the need to facilitate the free movement of workers and improve the sector's competitiveness. While the Member States' representatives were deeply divided in the Council, MEPs managed to overcome their differences of opinion, eventually securing a directive which would allow the internal services market to open up more widely to cross-border competition whilst protecting the European social model.

Parliament redresses the balance between the economy and social rights

In Parliament, for over a year and a half, various solutions were considered by at least ten parliamentary committees in order to make the text more consensual. The debate – at times very heated – ended in February 2006 with an agreement between Parliament's largest political groups – the PPE and the PSE.

Following this first reading in plenary, the text explicitly specified that the directive would have no effect on labour law in the Member States, nor on working or employment conditions or contractual relations between employer and employee, be they based on national law or on collective agreements. The key parts of this compromise were subsequently accepted

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by the Member States and confirmed by a large majority of Parliament at second reading in November 2006. The GUE/NGL Group, the Greens7efa and the French PES Members opposed the directive.

Provision of services made easier, with certain safeguards

The directive, which should be applied throughout the EU by 28 December 2009 at the latest, should make it significantly easier for a service provider to set up business in another Member State. For example, a company which wants to manage a hotel in another EU country will no longer have to deal with several different authorities (national, regional or local), but with a single 'one-stop shop' for all administrative formalities.

The directive explicitly prohibits any restrictions on the freedom to provide services. It will therefore be easier than before to provide services temporarily in another EU country. For instance, countries will no longer be able to demand that a mountain guide must become a resident of the country in which he wishes to temporarily pursue his occupation. However, temporary providers will be subject to the labour and social laws of the country in which they are working. Moreover, the directive will affect neither the labour law nor the collective rights which workers in the Member States currently enjoy.

Services excluded

A number of services have been excluded from the scope of the directive, such as services of non-economic general interest, certain social services or services that are already covered by sectoral legislation (audiovisual, financial or transport services). As regards the issue of services of general interest, the Treaty of Lisbon, currently under ratification, addresses this issue to some extent, in that it recognises the specific characteristics of those services. However, some Members regret the Commission's decision not to submit a proposal on this topic. The issue therefore remains open.

With regard to health services, also not covered by the directive, Parliament is currently working on the Commission proposal of July 2008 on patients' cross-border healthcare rights. The aim is to facilitate the reimbursement of medical services provided in another Member State. Here too, a balance must be struck between social and market interests on the one hand and Community and national competences on the other.

Members' opinions

According to the rapporteur, Evelyne **Gebhardt** (PSE, DE), Parliament's work had 'led to there being a symbiosis between the interests of employees and consumers and those of the economy. We have succeeded, with this text, in making a real contribution towards putting people more in the centre of politics.'

Malcolm Harbour (PPE-DE, UK) had added: 'Sometimes, when we talk about concepts like the internal market we forget that we are engaging people at the heart of what goes on and in our political work here. This directive is about improving the standard of living of all citizens in the European Union and encouraging growth and dynamism in the economy.'

Finnish Liberal, Anneli **Jäätteenmäki**, had declared: 'Services are a crucial source of growth and jobs in the EU. During the period 1997-2002 approximately 96% of new jobs were in service sectors. It is therefore important that there should be no unnecessary barriers to growth at national level. The Services Directive is a step in the right direction.'

Heide **Rühle** (Greens/EFA, DE), however, had spoken of a 'lack of clarity relating to the definition and exclusion of services in general and services of general economic interest in particular. (...) They are the fundamental issues that were used by the opponents of the Constitution to obtain a 'no' vote in the French referendum.'

French MEP Francis **Wurtz** (GUE/NGL) had objected that the directive 'makes the preservation of labour law in the Member States subordinate to compliance with Community law – a vague wording that refers to the rules on competition.' The French delegation in the PSE had also voted against, because, in the words of Harlem Désir, 'not all services of general economic interest were removed from the scope' and the directive 'was not clear in establishing the country of destination principle.'

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However, UEN Member Adam **Bielan** (PL) had taken the view that 'difficulties are deliberately created by countries which fear competition from entrepreneurs from other states and want to protect their own markets at any price. This is usually at the cost of the consumer, who is offered services that are more expensive and of lower quality.'

The leader of the IND/DEM Group, Jens-Peter **Bonde** (DK) thought it was 'a directive for lawyers and judges. It is the judges in Luxembourg who will determine what has been decided. The rules are very unclear.' Briton Nigel **Farage** (UK), who belongs to the same political group, had voted against because the only result of the single market had been 'regulation, cost and missed opportunities'.

EU-wide rail services: more choice and clearer rights for passengers

From January 2010, train passengers travelling from one EU country to another can expect to see more rail companies competing on these international connections. In September 2007, the European Parliament adopted legislation to enable Europe's railway companies to compete across borders, to guarantee basic passenger rights and to ensure that train drivers are fully qualified.

After three years' arduous negotiations among MEPs and between Parliament and the Council of transport ministers on three related pieces of legislation, Parliament advocated more cross-border competition, and also won a set of basic rights for rail users, including compensation for delays to international services. A decision on whether to open up Member States' domestic rail networks to competition from abroad as well is to be taken later, in the light of market developments.

Freedom to supply international rail services

From 2010, operators will be free to supply international rail passenger services across borders within the EU (so Thalys and Eurostar could get competitors), passengers on all lines will be entitled to minimum service quality standards and a European licence will qualify train drivers to use any EU Member State's network.

The European Commission will review how the rules are going in 2012, and assess then whether to propose extending liberalisation to domestic networks.

Although international passenger rail services will be opened to cross-border competition, domestic ones will not. In a vote in second reading in January 2007, the full Parliament rejected the advice of its Transport Committee and decided not to set a date for the liberalisation of national rail services.

Passenger rights

From 2009, when the EU passenger rights regulation takes effect, all rail passengers, international and domestic, will have basic rights, such as company liability for luggage and on transport for people with reduced mobility. These rights were originally proposed only for international passengers, but, after tough negotiations with the Council, MEPs succeeded in also extending them to domestic ones.

Compensation rules

The regulation lays down ground rules for protecting rail passenger rights similar to EU arrangements already in place for air passengers.

On the railways, compensation for delays for which the railway company is responsible on cross-border services will be 25% of the fare for a delay of one hour or more and 50% for a delay of two hours or more.

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If the delay exceeds one hour, and with certain restrictions on practicality, passengers must also be offered free refreshments and, if needed, hotel accommodation or transport from a stranded train.

Eventually, these rules will also apply to all intercity services. However, Member States may exclude domestic services from the compensation rules for up to 15 years and urban, sub-urban and regional services indefinitely. Rapporteur Dirk Sterckx (ALDE, BE) was happy to have "made a difference where it mattered, not between international and national traffic, but between long-distance and local traffic."

Easier access for disabled people and cyclists

Companies must facilitate access to stations and platforms for people with disabilities or with reduced mobility, and remove all obstacles to getting on, off, or remaining on board. In unstaffed stations, companies "must take all reasonable measures" to ensure their access to rail transport.

Passengers must also be permitted to take bicycles on trains, provided that the rolling stock permits it.

EU train driver's licence

All train drivers will have to hold a certificate showing that they meet minimum educational and fitness requirements and professional skills. This should enhance safety on EU railways, while making it easier for train drivers to work in another EU country. These requirements will not apply to other train staff at first, but MEPs won an undertaking that the Commission will look into this within one year of the directive's entry into force and, if necessary, present a new proposal to include staff performing safety-critical tasks.

Safety and interoperability

To be able to cross a border, trains must meet the safety rules of Member States on both sides. These rules sometimes conflict - e.g. in Italy fire extinguishers on trains must contain CO2 powder and no foam, while Austria requires the reverse. Rail companies wanting to supply international services have traditionally had to undergo approval procedures for their rolling stock in each Member State which can take years.

In July 2008, Parliament approved an agreement with the Council of Ministers on EU-wide approval of different types of rolling stock, which will amend the Rail safety Directive (2004/49/EC) to ensure that any rolling stock already approved for use in one Member State must be accepted in the others. This would cut red tape and should accelerate the growth of rail transport in Europe. Some additional national safety requirements will still be possible, but within clearly defined limits.

Further to a request from MEPs, heritage, museum and tourist railways will be exempted from the directive.

MEP views

Rapporteur Georg **Jarzembowski** (EPP-ED, DE) was happy that the railway package would "open the way to more offers by a wide variety of railway undertakings, to the benefit of the customers. If that proves successful, we have a chance to revitalise cross-border rail transport. And (...) we will then also have an opportunity to reduce environmental pollution within the European Union."

French Socialist MEP Gilles **Savary**, who was the rapporteur on the rail driver's licence, made it clear that he "wished to say 'yes' to liberalisation, provided that it is regulated and that public services are preserved." His PES colleague Boguslaw **Liberadzki** from Poland stressed that "liberalisation is the right approach, though there is something of a difference between my Group's position on this and, for example, (the ALDE position). I would like to make it quite clear that this package forms a whole".

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Anne **Jensen** (ALDE, DK) commented that her group had always supported the liberalisation of the railways, saying that it "strengthened rail transport, as regards both passenger transport and freight transport. The best tools for this are liberalisation and freer competition, which causes train companies to take a greater interest in the wishes of customers."

Robert **Zile** (UEN) from Latvia regretted that some EU countries, including his own, "have no international passenger rail connection with EU countries at all and that the railway package therefore does not operate across the whole of the enlarged European Union." The Greens/EFA welcomed the outcome of the long procedure. Italian MEP Sepp **Kusstatscher** said that "Passengers on European railways will now gain stronger rights, both domestically and internationally."

The GUE/NGL group was less than happy with the opening up of the rail networks. Said Dutch MEP Erik Meijer: "This starts with international freight transport, but ultimately encompasses all rail traffic including domestic passenger traffic. This means that the poorer working conditions in freight transport by road and air also become the norm in rail transport. We do not agree that competition is a better answer than good cooperation between national railway undertakings to the problems in international freight transport or even passenger transport. And we shall not be voting for these proposals in the third reading. "

Equally unhappy was Michael **Natrass** (IND/DEM, UK), but for a different reason: "Harmonisation of railways across 27 states has very little attraction to the UK. Competition may be good for commerce, but you can leave us out, as we will deal with the economics of running our own service." Though the Dutch MEP Johannes **Blokland** - of the same group - felt the railway package represented "a constructive step towards further completion of the European rail transport market."

When Parliament rejects...

The European Parliament can go further than amending proposed laws with which it finds fault. If a proposal is completely unacceptable and there is no prospect of making satisfactory improvements, it can be thrown out altogether. In 2004-2009, for example, Parliament rejected outright two important legislative proposals: the so-called "software patents directive" and plans to liberalise port services.

No directive on software patents

In July 2005, the European Parliament almost unanimously rejected, what had become known as the "software patents directive", ending three years of passionate debate.

If adopted, this directive would have allowed patenting of computer-implemented inventions (CIIs), i.e. those that use a computer, a computer network or similar equipment.

Under the European Patent Convention (which is not an EU law – it covers a wider area), a patent may be granted only if an invention is new, involves an inventive step and is capable of industrial application. Granting patents for computer programmes (i.e. software) is expressly ruled out – they are instead protected by copyright. But thousands of patents for inventions that use software have been issued by the European Patent Office (EPO – not an EU body, it was created under the EPC) and national offices.

An example is a patent granted for a method of detecting whether an antilock brake system is functioning properly. In this case, the software is deemed to make a "technical contribution" and is thus patentable under EPO practice. In that case, the patent protects both the invention (the brake control system), and the software involved.

In practice there has been wide variation in the ways in which national patent offices interpret their rules, and in how national authorities interpret EPO patents in this field. The European Commission proposed an EU directive to specify more clearly what was and was not patentable.

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Big software firms vs. open source?

There was intense lobbying of Parliament on this issue. One side, principally representing larger software firms, argued that making CII patentable in Europe would encourage research spending and protect European inventions from unfair competition, particularly from the US, where it is often easier to obtain patents on similar inventions. But some smaller companies and activists supporting the use of open-source software argued instead that software inventions are already protected by copyrights and that CII patenting could raise legal costs and force them off the market.

MEPs listened to both sides. Most Socialist, Greens/EFA and GUE/NGL MEPs wanted a narrower focus for patents to allow more room for open-source innovation whereas EPP-ED, ALDE, UEN and IND/DEM MEPs felt the directive would help firms, including smaller ones, to benefit from their inventions and should go ahead with some clarifications and safeguards.

First reading vote and developments in Commission and Council

At Parliament's first reading (which took place before the 2004 election) a majority of MEPs decided that the Commission's draft directive was insufficiently clear on the question of what constituted a "technical contribution". Parliament adopted amendments to ensure that computer programs as such could not be patented. Other amendments sought to protect small businesses, including a call for the Commission to monitor the directive's impact on them.

After the 2004 elections, the new Parliament requested to the Commission to withdraw its proposal and start afresh, but the Commission did not do so, arguing that the Council was on the point of adopting its position, which would put the ball back in Parliament's court in any case.

The Council did indeed adopt a common position (which was unacceptable to either side of the argument in Parliament) one in which the crucial technical definitions as to what was and was not patentable. Some argued that it went too far in restricting what could be patented compared to current practice in patent offices, while others, on the contrary, saw the definitions as allowing software patents by another name.

Second reading vote

In the debate before the vote, the different views were clear. On behalf of the EPP-ED, Noora **Kauppi** (FI) said that "patents granted for a technological product should not be rejected simply because the software forms a component of it. It is also important, however, to ensure that patents cannot be used to hinder the creation of compatible software". By contrast, rapporteur Michel **Rocard** (PES, FR) commented that, "in the long term, the defence of our European industry is better served by liberty and by freedom of access than by patents."

For the Liberals, Toine **Manders** (NL) said "a fair reward scheme should be introduced for inventors and they should be able to protect their ideas, their intellectual property." Otherwise he feared "a huge number of corporate research and development departments" would leave Europe. But Austrian MEP Eva **Lichtenberger** of the Greens took a completely different view: "Let us not harbour any illusions about the fact that industry wants full patentability for software, as a good source of additional income with which to fill up the cash till and, of course, as a way of driving small and medium-sized businesses, along with innovation, out of the marketplace". Her view was shared by Portuguese colleague Ilda **Figueiredo** (GUE/NGL): "To concentrate the right to create software in the hands of the few would lead to dangerous restrictions. (...) Software has contributed towards the development of economies and has made it possible to make many tasks automatic and simplified at relatively low cost. Under a legal framework, in which software is governed by patents, this would not be possible."

Dutch MEP Johannes **Blokland** (IND/DEM) commented: "It is unfortunate that even experts have been unable to state whether the directive will promote innovation in small and medium-sized enterprises, or whether it will in fact put obstacles in their way and hamper innovation. It has proved impossible to remove the fear of unwanted consequences among small enterprises." And Brian **Crowley** (IR) said on behalf of the UEN that without protection,

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"American companies, Japanese companies, or other companies will be patenting the very ideas that European software developers, European innovators, have come up with and forcing those same European innovators to have to buy them back."

Just before the vote, rapporteur Michel **Rocard** (PES, FR) noted that Parliament was split fifty-fifty on the proposal and Commissioner Joaquín **Almunia** told MEPs that, should they decide to reject the common position, the Commission would not submit a new proposal - i.e. there would be no EU legislation on software patenting.

With no satisfactory compromise in prospect, the political groups could all agree that no law was better than a bad law, so they voted to reject the text.

No directive on port services

In January 2006, Parliament rejected - by 532 votes to 120 with 25 abstentions - a proposed port services directive, which the Commission had said sought to "modernise ports and increase their work volumes", open up port services (such as loading and unloading ships) to competition in line with the EU Treaty, and reduce congestion on the roads, while protecting safety, jobs and social security.

Cargo handling employs thousands in the EU, particularly in the Netherlands, Belgium, France and the UK.

This rejection concluded a lengthy debate, started by a Commission discussion paper in 1997, between those arguing that more competition among ports was needed to boost growth and jobs, and those who believed that liberalisation would lead to widespread job losses (among dockers) and a deterioration in working conditions and safety (e.g. for sailors who would be required to load or unload ships, rather than dockers, so called "self-handling").

A demonstration of dockers outside Parliament's Strasbourg premises led to violence from a minority.

Faced with this rejection, the Commission withdrew its proposal.

MEPs' views

Ahead of the vote, there were differing views on the substance of the proposals.

Before the final vote, Rapporteur Georg **Jarzembowski** (EPP-ED, DE) noted "views differed" on market access: "Existing service providers may not want it but ship-owners and transporters believe this legislation is needed: it would enable them to choose the best providers by price and would break monopolies". Stephen **Hughes** (PES, UK) said it was important to take decisions calmly while taking account of the dockers' frustrations. "The Commission should have thought twice before putting on the table a directive which had been rejected by Parliament." Self-handling was not viable, said Mr Hughes, as the industry needed trained, skilled personnel.

Anne Elisabet **Jensen** (ALDE, DE) said that the Liberals were "in favour of a ports directive, albeit not in the form presented in the Commission's proposal. (...) We need a ports directive that can establish free competition between service providers in ports and freer competition between ports, in such a way as will provide a safeguard against state aid that distorts competition. Robert **Zile** (UEN, LV) feared that "under this directive, the Baltic states would be obliged to compete with Russian ports in an unfair competition". Joost **Lagendijk** (Greens/EFA, NL) spoke of "a considerable risk that well-trained, experienced people will be replaced by cheap, badly trained ships' crews".

On behalf of the GUE/NGL, Erik **Meijer** (NL) foresaw immense problems with the liberalisation of port services: "As a result of compulsory periodic tendering for operators, the people who work there could lose their jobs when the contract expires. Continuity will then remain possible only in private ports, provided, that is, that they do not go into receivership or are not bought by the competition. Patrick **Louis** (IND/DEM, FR) took the view that "maritime transport needs sovereign States which make clear where they stand".

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Second time around

During the previous parliamentary term, MEPs had already rejected an earlier proposal along similar lines, in November 2003, when the most controversial issue in a deal almost struck after talks with Transport Council Ministers was a compromise on "self-handling".

Following this first rejection, the Commission did not simply drop the issue, as might have been expected. Instead, it brought forward a new draft directive on access to the port services market, without first consulting stakeholders. Its failure to take account of Parliament's original vote and the lack of dialogue with those working in the industry caused disappointment among MEPs. This goes some way to explaining the very large majority voting to reject the proposal a second time.

Roaming: Parliament cuts cost of using mobile phones abroad

The European Parliament has cut the cost of making and receiving mobile telephone calls, sending text messages and mobile internet surfing while travelling abroad in the EU, for at least 140 million users.

In May 2007 MEPs backed by an overwhelming majority a first-reading compromise agreement, obtained by Parliament after tough negotiations with the Council, which put price caps on charges for using a mobile phone while abroad - otherwise known as mobile "roaming". The new law came into force on 30 June 2007.

Mobile phone users "roam" when they make or receive a call abroad while transferred onto a foreign "host" operator's network. Instead of sending the customer a bill, the host operator charges the user's home operator, using a "wholesale" rate agreed by the two companies. The home operator then recovers the cost, either via a charge that appears on the user's next bill or by deducting the amount from his/her credit.

Before the roaming regulation entered into force, a roaming call cost the user an average €1.15 per minute - five times the actual cost of providing "wholesale" services.

The intention was not to fix roaming prices at rates set by the EU, but to set a ceiling beneath which mobile operators could compete by offering lower prices and still earn a reasonable return.

Eurotariff caps calling rates at €0.46 per minute – and lower from summer 09

The roaming regulation enables consumers to benefit from a so-called "Eurotariff" price cap. Home operators may now charge their customers a maximum of €0.46 per minute (excluding VAT) for outgoing roaming calls and a maximum of €0.22 per minute (excluding VAT) for incoming ones. These retail price caps are being lowered further (to €0.43 and €0.19 respectively) from 1 July 2009.

Eurotariff by default and automatic tariff information when crossing the border

MEPs went for the "opt-out" model which ensures that the Eurotariff applies by default - unless the customer chooses otherwise. The regulation also requires home operators to provide their customers, as soon as they cross a border, with "basic personalised pricing information on the roaming charges (including VAT)" for outgoing and incoming roaming calls. It was felt that if users had to "opt-in" to benefit from the Eurotariff, many would have failed to do so, as operators had little incentive to advertise it.

New Eurotariffs for the years beyond 2010

Highlights

The Commission's 2008 review of the roaming regulation, which was to expire by 2010, concluded that competition between operators was not yet strong enough, as prices for roaming calls do not yet vary sufficiently below the maximum levels. In April 2009 Parliament and Council therefore agreed to set roaming call price caps for 2010 to 2012. Home operators may charge their customers for a roaming phone call as follows:

- from 1 July 2010, a maximum of €0.39 per minute (excluding VAT) for outgoing and a maximum of €0.15 per minute (excluding VAT) for incoming roaming calls, and
- from 1 July 2011, a maximum of €0.35 per minute (excluding VAT) for outgoing and a maximum of €0.11 per minute (excluding VAT) for incoming roaming calls.

Per-minute billing creates hidden costs

While working on the new roaming regulation, MEPs also looked at operators' billing practices, which sometimes included charging per minute rather than per second. This adds hidden costs to roaming calls. From 1 July 2009 operators will have to charge their customers by the second, but may apply an initial minimum charging period of 30 seconds, says the new law.

Cutting costs of text messages and mobile internet browsing

A roamed text message (SMS) will cost a maximum of €0.11 (excluding VAT) from 1 July 2009, agreed MEPs and Council in April 2009. At present, fees charged for roaming texts can be ten times higher than for domestic messages. Belgian travellers, for example, pay up to € 0.75 per SMS when abroad.

Other data roaming services (such as sending emails and pictures or web-browsing from mobile phones or laptops) will be regulated at wholesale level – i.e. there will be a price cap for the rates the host operator charges a roaming customer's home operator, calculated on a kilobyte basis:

- from 1 July 2009, a maximum of €1.00 per megabyte (excluding VAT),
- from 1 July 2010, a maximum of €0.80 per megabyte (excluding VAT), and
- from 1 July 2011, a maximum of €0.50 per megabyte (excluding VAT).

Current prices for data roaming services range from €5 to €10 per megabyte, according to a Commission study of June 2008 (see link below).

No more "bill shocks"

To prevent "bill shocks", roaming customers would be able to opt, free of charge, for a maximum financial limit from 1 March 2010, stipulates the new regulation. One of these financial limits should be set at €50 (excluding VAT) or the corresponding data volume. This limit would automatically apply to all customers who have not made another choice by 1 July 2010, says the text.

The new legislation says that providers will have to warn their customers when 80% of the agreed limit has been reached. Once the limit is reached, another notification should be sent, indicating the procedure to follow if the customer wishes to continue data roaming. If the user does not respond, the provider should cease all data roaming services.

Review in 2011 - Expiry by mid-2012

On MEPs' initiative, the Commission will have to review by mid-2011 at the latest and among other points, "the extent to which consumers have benefited through real reductions in the price of roaming services" and the competitive situation of smaller, independent or start-up operators. In addition, the text requires the Commission to "assess methods other than price regulation" for creating a competitive single market for roaming.

The regulation will expire by 30 June 2012.

MEPs' views

Highlights

Worried by the "risks of anti-competitive agreements and abuse of dominant positions", Parliament had urged service providers to reduce roaming charges as long ago as December 2005. In an own-initiative report, MEPs had called on the Commission "to develop new initiatives in order to reduce the high costs of cross-border mobile telephone traffic".

Speaking in May 2007, rapporteur Paul **Rübig** (EPP-ED, AT) said that, thanks to the Euro-tariff, travellers will "be able to make calls on holiday or business trips, safe in the knowledge that the end of the month will not see a bill higher than the cost of the room or flight, but one within reasonable bounds".

Most MEPs in all the largest political groups backed the deal. Some of them, like Joseph **Muscat** (PES, MT), believed that "the charges could have been reduced further" but were ready "to compromise, because if we waste any more time, consumers will be the ones to suffer." Romano **La Russa** (UEN, IT), on the other hand, stressed that the compromise still left "a profit margin for operators, who may nonetheless benefit from increased mobile telephone use in the future." Sarūnas **Birutis** (ALDE, LT) said: "When we are able to talk more cheaply we will talk more. So telephone service providers will not really lose income, and at the same time consumers will benefit and Europe's business competitiveness will feel a positive influence."

For Umberto **Guidoni** (GUE/NGL, IT), the roaming regulation showed that "the European institutions can provide practical answers to issues that no state can resolve on its own". "We have stood up for consumers", agreed David **Hammerstein** (Greens/EFA, ES).

On the other hand, there were some dissenting voices opposing the use of direct intervention in price setting. Alexander **Alvaro** (ALDE, DE), for example, said: "This is a regression to the sort of price-regulating machinery that the EU abandoned all of 20 years ago, and I find it lamentable." Nigel **Farage** (IND/DEM, UK) feared that regulated roaming charges would lead to higher costs for domestic consumers.

All-inclusive air fares

As of 1 November 2008, air travellers can be certain that the price they are quoted for a plane ticket will be the price that they actually need to pay. Thanks to an EU regulation amended by Parliament in July 2008, air fares as displayed on internet sites and elsewhere must include all taxes, fees and charges added to the basic ticket price and known at the time of publication.

"This regulation promotes price transparency for the passenger and fair prices. The passenger has a right to know the actual price of the ticket, including taxes and extra charges", said Rapporteur Arūnas **Degutis** (ALDE, LT) at the time of the vote.

The price you pay

All-inclusiveness was introduced in amendments adopted by Parliament. The regulation should put an end to misleading offers, such as adverts for flights supposedly costing 1 or 2 euros, but which by the end of the booking procedure turn out to cost much more. Internet booking - often the only possibility with low-cost air carriers - is a particular concern. Under the new EU regulation, all carriers must now provide the general public with comprehensive information on air fares, "including on the Internet". Air fares that are "addressed directly to the travelling public" must include all applicable taxes, non-avoidable charges, surcharges and fees known at the time of publication.

Info required

Highlights

The following information, at least, must be specified: air fare or air rate, taxes, airport charges and other charges, surcharges or fees, such as those related to security or fuel. Optional price supplements - e.g. for additional luggage - must be communicated in a clear, transparent and unambiguous way at the start of any booking procedure and consumers must "opt in" to them - i.e. give their explicit consent.

Parliament also broadened the scope of pricing transparency to include all flights departing from Community airports (regardless of destination).

Security taxes and charges

With security charges on the rise, MEPs amended the proposals to ensure that the consumer has a right to know how high these costs are, and what they are used for. Where airport or on-board security costs are included in the price of an air ticket, these costs will have to be shown separately on the ticket or otherwise indicated to the passenger. And, security taxes and charges, whether levied by the Member States or by air carriers or other entities, must be transparent and be used exclusively to meet airport or onboard aircraft security costs.

MEPs' views

German MEP Elisabeth **Jeggle** (EPP-ED) underlined that MEPs "from the outset urged putting an end at last to the misleading adverts offering absurdly low air fares. (...) This EU regulation will bring an end to the advertising tricks and inducements that often confuse the consumer. Airlines may no longer con consumers by advertising flights – especially on the Internet – at ridiculous fares of, for instance, EUR 9.99, and then face them with large extras in the form of taxes and charges." Ulrich **Stockmann** (PES, DE) also expressed his satisfaction saying that "It will no longer be possible (for airlines) to con European citizens with tempting offers. (...) That is a major contribution to consumer protection." But he also welcomed that it was now clear that "EU and national social legislation must be applied properly" regardless of the EU country where an airline is established.

Seán **Ó Neachtain** (UEN, IRL) stressed that "airline profits should not undermine passenger and staff safety or other social aspects". Czech MEP Jaromir **Kohlicek** (GUE/NGL) welcomed the push "for ensuring that carriers operate more transparently" and, like Mr Stockmann, was glad that the regulation would also "reduce the possibility of social dumping".

You can see the whole of the debate in the plenary session via the link below.

Part of a package

The all-inclusive air fares rules were part of a wider "third liberalisation package" to increase market efficiency, enhance the safety of air services and improve passenger protection. The regulation lays down rules for, inter alia, operating licences, leasing of aircraft, public service obligations, traffic distribution and price transparency.

Illegal immigration: European Parliament lays down common standards on expulsion

By adopting the 'return' Directive in June 2008 the European Parliament took a major step towards a European immigration policy. The Directive, which will apply with effect from 2011, encourages the voluntary return of illegal immigrants and lays down minimum standards for detention periods and re-entry bans. It also provides a number of legal safeguards and allows the Member States to apply more generous rules.

Parliament's vote opened the way to agreement at first reading. By adopting a package of amendments negotiated with the Council of Ministers, Members sought to prevent States applying harsher standards than those of the EU to illegal immigrants, while allowing them to keep or adopt more generous standards. The Directive applies only once a deportation decision has been taken and leaves each Member State the power to decide whether to

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regularise its illegal immigrants or not. During the vote, following a lively debate, the EPP-ED and UEN Groups supported the proposal in their entirety, while the Greens and the GUE/NGL Group voted against. The votes by the PES, ALDE and IND/DEM Groups split on the basis of national affinities.

Encouraging 'voluntary return'

The political compromise reached under the guidance of the rapporteur, Manfred Weber (EPP-ED, DE), introduces a two-step approach: the deportation decision triggers a 'voluntary return period' (of between seven and 30 days), which may be followed by a 'removal order', i.e. expulsion. If this is issued by a judicial authority and if it is believed that the individual in question might abscond, the person can be placed in a closed centre by a judicial or administrative decision. The Directive lays down a maximum detention period – this is currently unlimited in some Member States – and establishes standards for the living conditions which must be ensured; these include the right to medical assistance and to education for children.

If a person is expelled following the expiry of the 'voluntary return period' he or she may be subject to a 're-entry ban', during which the individual may not re-enter the territory of the European Union.

Six-month detention period, with possible 12-month extension

The detention period is a maximum of six months, although this can be extended by a further 12 months in certain cases. There is a re-entry ban of five years maximum if the person is deported after the 'voluntary return period' has expired, or longer if the individual represents a 'serious' threat to public safety. However, Member States retain the right to waive, cancel or suspend such bans.

If a person is placed in custody following an administrative decision, this decision must be approved by the courts 'as speedily as possible' — the original proposal required a court order within 72 hours, while the EP Civil Liberties Committee wanted 48 hours. A PES amendment seeking to restore the deadline of 72 hours was rejected.

Children and families to be detained only 'as a last resort'

Finally, the Directive addresses the situation of children and families: they must not be subject to coercive measures and can only be held in custody as a last resort. Unaccompanied minors may only be deported if they can be returned to their family or to reception facilities upon arrival.

Emergency situations

An article inserted by the Council also provides for greater flexibility for the authorities in 'emergency situations'. If an 'exceptionally large number' of third-country nationals places 'an unforeseen heavy burden' on the administrative or judicial capacity of a Member State, court orders may be postponed and less favourable detention conditions may apply.

Member States must also take account of the situation of the individual's country of origin, under the principle of non-refoulement (which states that no state may send a refugee to a country where his/her life or liberty may be endangered). Following a recent ruling by the Court of Justice, the European Parliament will in future decide jointly with the Council (under codecision) which countries are deemed 'safe'.

Legal aid subject to the terms of the 'procedure' Directive

The Directive provides for legal aid to be granted to illegal immigrants who have no resources, in accordance with relevant national legislation and the 'procedure' Directive of 2005 on aid to asylum seekers.

The Community return fund, set up for the period 2008-2013, may also be used to finance legal aid.

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The European return fund, set up for the period 2008-2013 with funding of € 676 million, may be used to fund legal aid for illegal immigrants. The use of the fund was suspended pending the adoption of the 'return' Directive.

Towards more transparency - a reformed Parliament from 2009

Reforms to make European Parliament elections, working methods and pay easier for citizens to understand are being made ahead of the June 2009 elections. European political parties will get new EU campaign funding, common rules will put an end to wide national disparities in MEPs' pay, and lobbyists' access to MEPs is to be made subject to new requirements, such as financial disclosure and being listed in a mandatory public register.

Making European elections more European

In November 2007, Parliament backed a Commission proposal to allow European political parties to fund campaign activities for the June 2009 European elections, so as to make elections to the European Parliament more specifically European in character.

The new legislation improves the financial stability of European parties, by allowing them to save some funds from one year to use the next, and so facilitates their long-term planning. It also permits the creation of European political foundations, which complement the aims of political parties at European level, e.g. by contributing to public policy debates, supporting seminars, training and conferences, and providing forums for national political foundations and academics to work together.

Before the vote, Rapporteur Jo **Leinen** (PES, DE), said: "The proposal for strengthening European parties and for funding European political foundations improves the democratic infrastructure in the EU", adding that "The Constitutional debate has shown that the communication on European policies and the participation of citizens in European debates is very poor. Therefore European political parties, which are a link between Union citizens and EU institutions, must be strengthened and European political foundations should be set up".

European political parties receive total EU public funding of about €10 million per year, via the European Parliament. The EU's 2008 budget also includes a total of €5 million for the new political foundations. There are currently (2008) ten European political parties receiving funding from Parliament:

- European People's Party (EPP)
- Party of European Socialists (PES)
- European Liberal Democrat and Reform Party (ELDR)
- European Federation of Green Parties (EFGP)
- Party of the European Left (EL)
- European Democratic Party (PDE/EDP)
- Alliance for Europe of the Nations (AEN)
- Alliance des Démocrates Indépendants en Europe (ADIE)
- European Free Alliance (EFA)
- EU Democrats (EUD)

These European political parties are not the same as the seven political groups within Parliament itself: the political groups for the most part include MEPs affiliated to more than one European party via their national party membership. Even so, since national parties are affiliated to European political parties with whom they share a common vision and MEPs join a political group on a similar basis, it is no surprise that there is a large overlap in membership between the groups and the European parties.

No funding of national parties

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To enhance political debate at EU level with a view to the European Parliament's 2009 elections, Parliament welcomed a Commission proposal to allow European political parties to use their money to finance campaign activities for European elections.

Parliament also endorses the general principle that in no circumstances should these funds constitute direct or indirect financing of other parties and particularly of national parties and candidates.

The funds allocated to the ten EU parties eligible for funding in 2009 are set out in Parliament's section of the EU's 2009 budget (line 402, chapter 40, title IV section I (Parliament) – see the link below. These funds are controlled and managed by Parliament.

Foundations

The new Regulation on the statute and financing of European political parties introduced a new legal basis for establishing European political foundations. It says that foundations must be formally associated with an existing European party in order to access funding - a foundation may receive funds only by applying through the political party to which it is affiliated.

This funding is directed only to the European political parties, and not to the political groups in Parliament itself.

Parliament's working methods reformed

The efficiency and transparency of Parliament's work is already being improved by changes to the procedures used in its plenary sessions, committee meetings and foreign delegations.

In October 2007, the Conference of Presidents of political groups in Parliament unanimously adopted recommendations made by a working party on parliamentary reform, in order to make Parliament's work more efficient and more attractive to a wider public.

The first set of measures covered five areas: agenda-setting and the organisation of plenary activities; priority-setting and the format of annual debates; the organisation of debates, the organisation of votes and the treatment of amendments; meetings held in parallel and the Chamber seating plan.

The plenary agenda is now divided into clear sections: major legislative items are grouped on Tuesday, the week's priority debate is held on Wednesday morning and Wednesday afternoon is devoted to items of topical political interest.

Parliament's rapporteurs have been given more speaking time, and also the last word, in plenary legislative debates. To enable MEPs not on the speaking list to take part in discussion, each debate includes a five-minute "catch-the-eye" session, during which they can ask the chairperson to give them the floor.

These changes have been in effect since the beginning of 2008.

A common salary for MEPs

A single Statute for Members of the European Parliament (MEPs) was approved in June 2005 by an overwhelming majority.

From June 2009, all MEPs are to earn around €7,665 a month, thus ending the wide pay disparities that result from the current system of MEPs earning the same as national MPs in their home countries. The rules set MEPs' salaries as 38.5% of the salary of a European Court of Justice judge.

MEPs will pay income tax to the EU budget, though Member States also retain an option to apply in addition taxation up to the level of national rates.

The agreement allows for a transition period during which, for MEPs elected by its citizens, each Member State may continue to apply different rules from those of the Statute. Current MEPs who are re-elected may also opt to continue their existing national arrangements.

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More transparency on expenses and pensions.

The new Statute will also change the way in which MEPs' travel expenses are refunded: rather than a flat-rate tariff, reimbursements will reflect only the costs actually incurred.

MEPs will also join a common pension scheme, with contributions paid by Parliament. All payments from Parliament's budget to MEPs are made monthly in euro or, (at the MEP's request), in the currency of the Member State where he or she is domiciled.

New rules on assistants' pay

New rules on MEPs' allowances for paying assistants will also take effect for the new Parliament, to address weaknesses identified in the system.

From June 2009, the contracts of MEPs' assistants working in the Member States will be managed by certified paying agents, specialising in fiscal and social security aspects of employment contracts, who will be responsible for compliance with the relevant national social security and tax provisions. It will be possible for an MEP to use up to 25% of the parliamentary assistance allowance for services such as research studies or other advisory work.

Brussels-based assistants, meanwhile, will be covered by a new addition to the statute which covers EU officials and other employees. The contracts of and salary payments to the assistants will be handled by Parliament's services, but the MEPs will be entirely free in their choice of assistants, the tasks to be assigned to them and the duration of the labour contracts.

The EP has also decided that in future, MEPs may not employ close family members as their assistants.

Mandatory public register of lobbyists

A mandatory public register of lobbyists, common to the Council, Commission and Parliament and providing for "full financial disclosure", was proposed by the European Parliament in May 2008. Lobbyists would need to register only once to have access to Parliament, the Commission and the Council. The three institutions have set up a joint working group to prepare a proposal on the common register as soon as possible.

"Full financial disclosure" and sanctions

According to the May 2008 resolution, lobbyists would have to abide by a code of conduct, and could lose their accreditation if they break the rules.

Moreover, MEPs suggested that the register should include "full financial disclosure" by lobbyists. Professional consultancies and law firms in particular would have to disclose the relative weight of their major clients and the costs associated with lobbying. NGOs and think tanks would be required to state their overall budgets and main sources of funding. .

In November 2008, a second inter-institutional working group of Parliament and Commission representatives started working on specific proposals on the code of conduct, the sanctions and the extent of financial disclosure required.

Hereunder you will find links to the websites of European political parties.

Climate change: wide-ranging EU measures to fight global warming

The world's first comprehensive set of measures to limit global warming was adopted by the EU in December 2008, when new EU climate and energy laws to cut greenhouse gas emissions from cars, industrial installations and power plants and to promote renewable energies were amended and approved by MEPs.

Parliament thus put the EU on course to achieve its climate change reduction targets by 2020: a 20% cut in greenhouse gas emissions, a 20% improvement in energy efficiency, and a 20% share of renewables in the EU's energy mix. The EU is the first region in the world to set such far-reaching and legally binding targets for all sectors of the economy. The EU has also undertaken to go further and cut greenhouse gas (GHG) emissions by 30%, provided an ambitious international agreement is reached in Copenhagen by the end of 2009.

The package, adopted by a large majority in Parliament at the first reading after intense negotiations with the Council of Ministers, includes a revision of the EU Emissions Trading System (ETS), Member States' targets for CO₂ reductions in sectors not covered by the ETS, a legal framework for environmentally-safe carbon capture and storage (CCS), binding targets for the use of renewable energy and a regulation on CO₂ emissions from cars.

EU-wide emission trading from 2013

The revised EU Emission Trading System (ETS), to apply from 2013 to 2020, aims to reduce greenhouse gas emissions by 21% from 2005 levels. The ETS is a "cap and trade" system: it caps the overall level of emissions allowed but, within that limit, participants may buy and sell allowances to meet their needs, so as to cut emission costs effectively. The Community-wide quantity of allowances issued each year will decrease in linear fashion, so as gradually to reduce the overall level of emissions each year.

Avril **Doyle** (EPP-ED, IE), who had led Parliament's work on the proposal, said: "The EU is the only region in the world that currently has a functioning emissions trading system which has put a price on carbon and which is committed to a 20% unilateral reduction in our CO₂ emissions. Effectively, we have been the pilot project for the rest of the world, for other regions".

The ETS currently covers over 10,000 energy and industrial installations, which collectively account for almost half of the EU's total CO₂ emissions and for 40% of its total GHG emissions (the remaining 60% is covered by a "non-ETS" effort-sharing decision). The aviation sector will be brought into the system from 2012, as agreed between the European Parliament and Council in July 2008.

In the first and second ETS trading periods (2005-2012) the great majority of allowances were allocated free of charge. The revised directive provides in principle for allowances to be auctioned from 2013, but nonetheless includes several exceptions, as advocated by the European Council on 12 December 2008.

Transitional exceptions are possible for electricity generation, essentially for the new EU Member States and subject to certain conditions. Several MEPs had feared that introducing full auctioning from 2013 in the power sector could increase electricity prices. For example, Zdzisław Zbigniew **Podkanski** (UEN, PL) pointed out that "certain economies, such as Poland's coal-based one, will not be able to change to a different model overnight. Carbon will continue to be the main source in Poland and it is therefore urgent that we do something in a different way".

Exceptions to the full auctioning principle are also possible for manufacturing sectors at serious risk of "carbon leakage" - that is the relocation of production to third countries with a less strict climate policy, leading to increased CO₂ emissions by these countries.

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Not all MEPs were happy with the compromise achieved. Jens **Holm** (GUE/NGL, DK), was disappointed that "emissions were not reduced more and faster". The package was "a step in the right direction, but we could have gone further", he said. Johannes **Blokland** (IND/DEM, NL) felt that "we cannot be entirely satisfied since full auctioning could have started in 2013", but shared the view of many MEPs that "however, the compromise is acceptable".

Effort sharing: Member States' targets for CO₂ reduction

The "effort-sharing" decision, a world first, sets binding national targets for each EU Member State to reduce greenhouse gas emissions in sectors not covered by the ETS (e.g. road and sea transport, buildings, services, agriculture and smaller industrial installations). These sources currently account for about 60% of all EU GHG emissions. The decision aims to cut these emissions by 10% between 2013 and 2020.

The decision will allow Member States to "offset" emissions, i.e. to buy credits resulting from projects in third countries under the UN's Clean Development Mechanism (CDM), as a means of complying with their GHG emission limits.

Parliament's rapporteur, Satu **Hassi** (Greens/EFA, FI) was not completely satisfied with the agreement reached, as she felt that it allowed too large a share of emission reduction obligations to be transferred outside the EU. "The decision is a step in the right direction, but much smaller than I had hoped for", she said, urging Member States "that they don't relocate and pass on the emission reduction obligations to third countries but should attack the emissions in their own countries". Amendments seeking to restrict such recourse to the CDM were tabled by the Greens and GUE/NGL and backed by Ms Hassi, but rejected by the majority.

Power plants and industrial installations may store CO₂ underground

Industrial installations and power plants may in future use new technology to cut their emissions of CO₂, by capturing and storing it permanently and safely underground. To encourage use of carbon capture and storage technology (CCS), MEPs had earmarked revenue from 300 million ETS allowances to fund large-scale demonstration and testing projects in the EU. The ETS could provide funding for up to 9 CCS demonstration projects in the EU. "How much that will raise depends on the carbon price. But I am told it could be anything from €6 billion to €9 billion in support for capital investment", said Parliament's rapporteur Chris **Davies** (ALDE, UK).

Reducing CO₂ emissions from new cars

A new regulation setting emission performance standards for new passenger cars registered in the EU backs an average emission target of 120g of CO₂/km for the whole car industry by 2012, down from 160g/km today. An average target of 130g CO₂/km for new passenger cars is to be achieved by improvements in vehicle motor technology, and the further 10g/km reduction needed to achieve the 120g/km target is to be achieved by other technical measures (required by different legislation), such as better tyres, the use of biofuels or minimum efficiency requirements for air-conditioning systems.

MEPs also succeeded in setting a long-term reduction target, for 2020, of 95g CO₂/km. "It was Parliament's priority to add a long term reduction target," said Guido **Sacconi** (PES, IT), who had led Parliament's work on the proposal. This target is "very important because it aligns the legislation with the other pieces of legislation and it means that car manufacturers can plan ahead in means of investment and innovation", he added. Mr Sacconi also noted that this law was adopted "at the most difficult time possible - that of a big crisis in the car manufacturing industry".

Each manufacturer will be given a specific average CO₂ emissions target, with which it must comply in interim stages: 65% of the fleet must comply in January 2012, 75% in January 2013, 80% in January 2014 and 100% from 2015. Manufacturers who fail to meet these interim targets will have to pay fines.

More renewable energy in electricity generation, transport, heating and cooling

Highlights

The new "renewables" directive sets binding national targets for each Member State to ensure that by 2020 renewable energy makes up at least 20% of the EU's total energy consumption. Renewable energy is, for example, produced from hydro power, solar, wind, biomass or geothermal sources.

For Claude **Turmes** (Greens/EFA, LU), who had led Parliament's work on the proposal, the new directive is "a milestone in European energy policy" as it "will not only ensure that electricity, heating and transport in Europe become more environmentally friendly but it also means that jobs and money stay in Europe".

Environmentally and socially sustainable biofuels

Each Member State must increase its share of renewable energy in transport - biofuels, electricity and hydrogen produced from renewable sources - to 10% by 2020. "Second-generation" biofuels (i.e. those produced not from food or feed crops, but from alternatives such as algae, wood residues, or paper waste), will be double-credited towards this target.

MEPs ensured that the new law includes criteria to guarantee that biofuels production is environmentally and socially sustainable and does not lead to deforestation and rising food prices. In December 2006, Parliament had called on the Commission to develop such a tool which "objectively measures the environmental, social and economic sustainability aspects of mineral fuels and biofuels".

Next steps

In its final report, Parliament's Climate Change Committee called on the EU and the other industrialised countries to set, as a group, a medium-term target of a 25-40% reduction in GHG emissions by 2020, and a long-term reduction target of at least 80% by 2050, compared to 1990.

Negotiations are under way for a new international climate change agreement to replace the Kyoto protocol, which expires in 2012. At the UN Climate Change Conference in Poznań in December 2008, where MEPs were present, the parties present decided to switch from discussion into "full negotiating mode" and agreed that the first draft of the text of the future climate change agreement would be available at the United Nations Framework Convention on Climate Change (UNFCCC) gathering in Bonn in June 2009.

Working time: 48 hours a week maximum

The 48-hour average working week must stay, so as not to compromise worker health and safety. MEPs want to put an end to so-called "opt-out" exceptions to this rule, in contrast to the Council of Ministers. They also consider that on-call time should be treated as working time, in line with Court of Justice judgments. After Parliament and the Council failed to reach an agreement on these two points, the 1993 directive, as amended in 2003, remains in force.

The review of the 2003 Working Time Directive, which began in 2004, sought primarily to examine the issue of voluntary opt-outs and to consider the implications of certain European Court of Justice judgments with regard to on-call duties, particularly of medical doctors. The European Parliament gave its first-reading opinion at in 2005, but its proposal was blocked by the Council, which represents the Member States.

After three years of discussions the Council reached a common position in June 2008 (with Spain and Greece voting against the motion and Belgium, Cyprus, Malta, Portugal and Hungary abstaining). However, in December 2008, the European Parliament, reaffirming its first-reading position, rejected a compromise arrangement that would have allowed Member States to evade the maximum limit of 48 hours a week.

Abolishing the "opt-out" clause

Highlights

Since its first reading of the review, Parliament has opposed the opt-out clause that the United Kingdom obtained in 1993, which allows it to disregard the maximum working time of 48 hours a week. This opt-out clause is currently applied not just in the United Kingdom but in other Member States too. However, the compromise that was negotiated by EU Member State governments stipulates that if the working week in the EU is to remain limited to a maximum of 48 hours, any Member State may exercise a "non-participation" clause and in which case workers will be entitled to make use of it. For those workers who prefer the opt-out, the compromise provides for a special limit of 60 hours or 65 hours a week, calculated as an average over a reference period of three months.

Calculating the working time as an average over 12 months

At its second reading, on 17 December 2008, Parliament reaffirmed its position on removing the opt-outs three years after the directive comes into force, with 421 in favour, 273 against and 11 abstentions. Most MEPs in fact took the view that being able to calculate the working time over a reference period of 12 months would provide sufficient flexibility.

At the first reading, Parliament had proposed extending the reference period for calculating the average weekly 48 hours worked from four months (according to the current text) to 12 months, so as to strike a balance between health and safety of workers and flexible working practices.

Treating on-call time as working hours

At the second reading vote, over 500 MEPs additionally called for all hours spent on call to count as working time, in accordance with the judgements of the European Court of Justice.

The Council, for its part, intended drawing a distinction between "active" on-call time, during which a worker must be available at the workplace in order to perform the activity or function in question when required by the employer, and "inactive" on-call time – which is not to be considered as working time – during which a worker is on call but is not required by the employer to carry out the said activity or function.

Other provisions

Parliament also amended the text in order better to reconcile work and family life. MEPs called on employers to notify their employees well in advance of any proposed change to the working schedule. Workers would also have the right to ask for their working hours to be amended and employers would be obliged to take such requests into account.

For rest periods, the general principle is that in those cases where normal rest periods cannot be taken workers should be granted compensatory ones. Parliament strengthened this measure and said that compensatory rest periods should be granted "following periods spent on duty", in accordance with the law or by agreement between the social partners.

Parliament further clarified the situation of workers who are bound by multiple contracts: working time should be defined as the sum of the periods of time worked under each contract.

It also stipulated the categories of senior executive that would be exempt from the directive: CEOs, senior managers directly subordinate to them and other persons who have been directly appointed by a board of directors.

No agreement in conciliation

As there was no second-reading agreement between Parliament and the Council, the proposed revision of the directive underwent a conciliation procedure, which began on 17 March 2009.

After six weeks of negotiations, Parliament and the Council were unable to agree a compromise on three crucial aspects of the directive: the "opt-out" clause, which Parliament wanted to make "exceptional and temporary", on-call time and the issue of multiple contracts.

Highlights

Court of Justice rulings that on-call time must be treated as working time are very problematic for certain Member States, so a new proposal from the European Commission is likely, particularly with a view to solving the problem of on-call time.

MEPs' views

The two main points being debated at second reading in December 2008 were the end of the opt-out (adopted by 421 votes to 273, with 11 abstentions) and the question of on-call time (adopted by 576 votes to 122, with 13 abstentions).

"This is a triumph for the whole Parliament", said the rapporteur Alejandro **Cercas** (PES, ES) at the end of the second reading vote. During the debate Mr Cercas said that "the review of the directive is worrying millions of workers and this vote is an opportunity to reconnect with citizens". He feared that the opt-out would only lead to social dumping: "many surveys show how much the opt-out is damaging the health of workers and making it difficult to reconcile work and family life. Medical personnel should have their on-call time recognised", he added.

This view was shared by José Albino Silva **Peneda** (EPP-ED, PT), who stressed the importance of on-call time. "We need to take account of the rulings of the Court of Justice", he said, adding "do we want to work more than 48 hours a week when there is a need to reconcile work and family life in accordance with the legal basis of health and safety at work?"

For Elisabeth **Schroedter** (Greens/EFA, DE), "the UK law should not become a general rule". She also pointed out that Parliament had put forward a flexible model, including the idea of the 12-month reference period.

"The rapporteur has done an excellent job, while the French Presidency has not made enough effort to maintain a dialogue with Parliament" said Roberta **Angelilli** (IT), for the UEN Group. Ms Angelilli warned against "any cut-price compromise that would only be to the detriment of workers".

Dimitrios **Papadimoulis** (EL), speaking for the GUE/NGL Group, said he was "completely opposed" to the Council common position. "They are trying to turn the clock back 90 years", he protested.

Nevertheless, there were dissenting views too, most notably from within the EPP-ED Group. Elizabeth **Lynne** (UK), speaking on behalf of the ALDE Group, also believed that while the Council position was "not ideal" it was "the fruit of many years of negotiations by the Member States". Having always supported the opt-out, Mrs Lynne favoured flexibility: "in difficult economic times it is important to allow workers to work overtime", she said, but added that "on-call time is a more difficult matter".

According to Derek Roland **Clark** (UK), speaking for the IND/DEM Group, "this directive is a waste of time" because "companies have to remain competitive".

The groups set out their latest positions in a debate on 4 May 2009 - see the link below for details.