



# EU Policy Update 21<sup>st</sup> November 2008

# **Lancashire Brussels Office**

For an explanation of European jargon visit: <u>the EU's Eurojargon Guide</u>, For explanations of technical and legal terms see: <u>the EU's Technical Glossary</u>

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# **Editorial**

Welcome to the latest edition of the Lancashire Brussels Office Policy Update. This edition covers the European-level response to the financial crisis, a proposed wide-ranging energy package aimed at boosting energy security in Europe and European Commission plans to improve the implementation of European Union laws on environmental protection.

Additionally, this edition covers the launch of 'Europeana', Europe's first digital library, which enables users to search and browse digitised collections from Europe's libraries, archives and museums all at once, and is available in all EU member state languages.

The next Policy Update is due out in a fortnight; if you have any queries before then please do not hesitate to <u>contact us</u>.

Anthony Monks Assistant European Liaison Officer

21<sup>st</sup> November 2008

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## **Review & Outlook**

#### **Review**

This week saw the Lancashire Brussels Office host a conference on behalf of the University of Central Lancashire (UCLan), discussing Lancashire's creative and innovative expertise to a European audience.

The conference was chaired by Councillor Alan Whittaker, Chairman of Lancashire County Council, the guest speakers were; Professor John Joughin from UCLan, the Sandbox team from UCLan's Media Factory, Ruth Raban from Creative Lancashire and Georgi Dimitrov from the European Commission.

For further information on the conference, please contact us.

Additionally, last week saw the European Parliament's Internal Market Committee adopt a report aimed at making toys safer. The new legislation will reinforce safety regulations and ban the use of certain chemicals and heavy metals in toy production; the Parliament's plenary will vote on the regulation in December.

### Outlook

The week ahead sees MEPs return to their constituencies after last week's plenary session in Strasbourg.

In climate change news, next week will see discussions continue between MEPs and Council representatives, with the aim of reaching a first-reading compromise on the climate change package.

Additionally, the Lancashire Brussels team are meeting with Lancashire's 2008 Open Days conglomerate partners to give feedback on behalf of those LCC members who attended the Open Days 2008 in Brussels.

## **Funding Opportunities and Consultations**

#### **Consultation: Network and Information Security**

The European Commission has launched a public consultation: 'Towards a Strengthened Network and Information Security Policy in Europe'.

The aim of the consultation is to gather information from a variety of different sources on the potential objectives of a policy on network and information security and on the means of achieving them at the EU level.

The consultation is accessible online until **9 January 2009**.

For further information on this consultation, please visit the consultation website.

## **Partner Searches**

#### If you would like to circulate your own partner search, please contact us

### European Market Entrance for Spin-offs, Start-ups and SMEs

The German region of Erlangen is looking for a partner for the project: 'European Market Entrance for Spin-offs, Start-ups and SMEs' (EMES).

The EMES project aims to develop solutions to assist European SMEs to be more competitive, and is centred on the exchange of best practice to help enterprises increase competitiveness.

The project is ultimately geared towards speeding up the market entrance for innovative technology SMEs in European markets.

Potential partners should operate within the field of business development, business support or cluster management and should be experienced in supporting SMEs in their internationalisation process.

Additionally, the partner has to be a public or public equivalent body.

Although there is no deadline for partners given, the project is due to start in October 2009 and run for 36 months.

For a full document of the project and additional details, please contact us.

Alternatively, directly contact Mr. Marco Wendel on m.wendel@erlangen-ag.de

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Conferences

# **EU General**

## Europe's Digital Library 'Europeana' is now online

Europeana, Europe's digital online library is now open to the public.

Europeana enables users to search and browse digitised collections from Europe's libraries, archives and museums from one website and is available in all EU member state languages. Digitised collections include books, maps, recordings, photographs, archival documents, paintings and films.

In 2010 Europeana aims to give access to millions of items representing Europe's cultural diversity and there are plans for the online library to have interactive zones, such as communities for special interests. This is to be achieved through Europeana receiving €2 million in EU funding per year between 2009 and 2011.

There are also plans by the European Commission to involve the private sector in the further expansion of Europe's digital library.

#### Background

Europeana was initiated by the European Commission in 2005 and was finalised with cooperation between national libraries, other cultural bodies of the European Union member states and the European Parliament.

Europeana is run by the European Digital Library Foundation, which brings together Europe's major associations of libraries, archives, museums, audiovisual archives and cultural institutions. Europeana is hosted by the Dutch national library, the Koninklijke Bibliotheek.

To access Europeana, please visit the link below: <a href="http://www.europeana.eu/portal/">http://www.europeana.eu/portal/</a>

## European-level response to the financial crisis

In response to the current financial crisis, national governments, the European Central Bank and the European Commission have been jointly working together to:

- Protect savings.
- > Maintain a flow of affordable credit for both businesses and households.
- > Put in place a better governance system for the future.

#### The main elements of the European-level response are summarised below.

The European Commission is pressing for the swift adoption of measures proposed in June 2008, which are set to help SMEs during the financial crisis.

Furthermore, the European Commission is asking both the European Parliament and all 27 Member Sates to adopt a proposed directive on capital requirements for financial institutions, aimed at controlling excessive risk-taking by banks and improving supervision of banks that operate in different EU Countries.

Moreover, the European Commission is drawing up regulations for stringent ruling of credit rating agencies, which is covered in this edition in the Health and Consumer Protection section.

A comprehensive plan to help the EU economy recover from the financial crisis is being prepared and due for publication on 26 November, which will include short-term measures.

Additionally, in September this year the European Central Bank adopted measures to lend €15bn over the period 2008-2009 to SMEs affected by the financial crisis, as part of an overall €30bn loan package by 2011; for more information on this, please contact us.

For additional information, please contact us.

Source; European Commission

# **Agriculture and Rural Affairs**

## CAP Health Check on the Common Agricultural Policy

The European Parliament has adopted its position on the Common Agricultural Policy health check, which sets out the future focus of European agriculture policy. The legislation will now be finalised by EU agricultural ministers.

During the Strasbourg plenary session on November 18, MEPs called for a smaller cut in farm aid and a limited increase in milk quotas, in addition to special aid for both milk producers and livestock farmers.

#### The common agricultural agreement covers five main points<sup>i</sup>:

- 1. The implementation of effective market management tools.
- 2. The setting up of risk, climate and sanitary crisis management tools.
- 3. The possibility of redirecting aid to fragile sectors, zones or types of production.
- 4. A comprehensive and balanced milk package to accompany the gradual phasing out of milk quotas.
- 5. The reinforcement of rural development measures.

#### Additionally

At this current time in agricultural policy, the European Parliament's opinions have consultative status. If the Lisbon Treaty is implemented, MEPs will have joint decision making power with the Council of agriculture ministers.

For more detailed information, please contact us.

Source; European Commission and the European Parliament



<sup>&</sup>lt;sup>i</sup> For further information on the five points, please contact us.

# Commission welcomes political agreement on School Fruit Scheme worth €90 million per year

The European Commission has welcomed a political agreement in the Agriculture Council on its proposal for a European Union-wide scheme to provide fruit and vegetables to school children.

The European funds worth  $\in$ 90 million every year will pay for the purchase and distribution of fresh fruit and vegetables to schools; (see the August 2008 edition of the Policy Update for the first mention of this article) with the scheme commencing at the start of the 2009/2010 school year.

The €90 million in EU funds will be matched by national and private funds in those member states which chose to make use of the programme.

Aside from the provision of fruit and vegetables to school children, the scheme will also require participating member states to set up strategies, including educational and awareness-raising initiatives and the sharing of best practice.

Governments would have the choice of whether to participate in the programme or not, which would be co-financed either on a 50/50 basis, or 75/25 (depending on the region, further details are available at the link, given at the end of this article).

Additionally, member states have the option to require compulsory parental contribution; this money could not be used to replace existing national financing, but could encourage additional activities, which could be either linked to existing programmes or in creating completely new initiatives.

If the scheme is taken up by a government, national authorities are required to draw up a strategy in conjunction with public health and education authorities, also involving the industry and interest groups, which would be tailored to national preferences.

For further information, please visit the link below: <u>http://ec.europa.eu/agriculture/markets/fruitveg/sfs/index\_en.htm</u>

Source; European Commission

# **Education and Culture**

## The first ever European Masters in Consumer Affairs is launched

A new European Masters degree programme has been launched in Consumer Affairs.

The EU-backed degree programme will be offered at Universities in 13 European cities, across nine member states, including Brunel University (UK).

The European Masters in Consumer Affairs is due to commence in autumn 2009 (for students entering the 2009/2010 academic year) and was introduced to offer professional training in consumer issues, which are currently not studied at Masters Degree level in relation to:

- > Business.
- > Policy making.
- > Consumer organisations.

Each of the 13 universities will receive European funding of  $\in$ 50,000 per year, over a three year period to both prepare for and deliver the courses. Additionally, the EU is set to fund 260 individual student grants of up to  $\in$ 3,000 each, to a total of  $\in$ 780,000.

The programme of study includes a range of topics, including:

- Consumer protection law.
- > Analysis of consumer behaviour.
- > Marketing.

For further information, including a list of participating universities please contact us.

Source; European Commission

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## e-Europe and Information Society

Sorry, there are no articles this edition.

# **Employment and Social Affairs**

### Employment in Europe report 2008

The Employment in Europe report 2008 addresses topics that are high on the European Union's employment policy agenda.

2008 sees the 20th annual edition of the Employment in Europe report, which is used by the European Commission when guiding and advising Member States in the analysis, formulation and implementation of their employment policies.

The Employment in Europe report gives a comprehensive overview of the employment situation in the EU, in addition to offering an analysis of key labour market issues which include:

- > Immigration
- > Post-enlargement
- Intra-EU labour mobility
- > Quality of work
- > The link between education and employment

For the full Employment in Europe report for 2008, please visit the link below: <u>http://ec.europa.eu/social/main.jsp?catId=119&langId=en</u>

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### European Commission report on the free movement of workers

A European Commission report published on November 18 claims that mobile workers from the countries that joined the EU in 2004 and 2007, the EU-8<sup>ii</sup>, have had a positive impact on Member States' economies and have not led to serious disturbances of their labour markets.

Workers from the EU-8 as well as Bulgaria and Romania have made a significant contribution to sustained economic growth, without significantly displacing local workers or driving down wages.

Additionally, labour flows both for the EU as a whole and for most individual countries, have been limited compared to the size of labour markets and to inflows from non-EU countries.

For the report on the impact of free movement of workers in the context of EU enlargement, please see the link below: http://ec.europa.eu/social/main.jsp?catId=508&langId=en

<sup>&</sup>lt;sup>ii</sup> The EU-8 consists of: Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia and Slovenia.

## Enterprise

### 25 years of Directive 98/34/EC

Over the past 25 years, Member States have been obliged to provide information on any draft technical regulations for products and Information Society services, before they are adopted at national level, in order to avoid certain administrative issues which would ultimately be a hindrance to trade.

This is achieved under Directive 98/34/EC (formerly 83/189/EC) which is a notification procedure that has been in operation since 1984, giving the European Commission and Member States an opportunity to examine draft regulations.

The regulation has so far allowed over 12,000 draft regulations to be cleared.

The main areas the 98/34/EC procedure is applied to are:

- > Foodstuffs
- > Agricultural sectors
- > Telecommunications.
- > Transport.
- > Construction.
- > Mechanical engineering.

According to European Commission figures, 12% of new regulations could have hindered trade. However, after the 98/34 procedure was implemented, 95% of these cases had been resolved.

#### Additional

All intended national safety regulations have to be entered onto the European Union's TRIS database. This database allows different stakeholders to browse legislation in which they have an interest.

To access the TRIS database, please visit the link below: <u>http://ec.europa.eu/enterprise/tris/</u>

## **Environment**

# The European Commission proposes a wide-ranging energy package

The European Commission has proposed a wide-ranging energy package, aimed at boosting energy security in Europe. The proposals within the energy package are in-line with the '20-20' climate change proposals, scheduled for final agreement by December 2008.

The European Commission's proposed energy package includes:

- > Proposals to build-up energy solidarity among Member States
- A new policy on energy networks aimed to stimulate investment in more efficient, lowcarbon energy networks
- A new EU Energy Security and Solidarity Action Plan, which sets out five areas where there are calls to further increase both secure and sustainable energy supplies
- > A review of the challenges Europe will face between 2020 and 2050

Additionally, the proposed energy package also sets out new energy efficiency proposals aimed at making energy savings in key areas. Two such suggested areas include:

- Reinforcing existing energy efficiency legislation, regarding buildings and energy-using products
- > The enhancement of the role of energy performance certificates, as well as inspection reports for heating and air-conditioning systems

For further information, please contact us.

Source; European Commission

# Proposed improvements on the implementation of environmental law

The European Commission has set out plans to improve the implantation of the European Union's laws on environmental protection, which number more than 200.

A communication from the European Commission stressed the necessity for close cooperation with Member States to ensure national implantations of the rules are both correct and adopted on time, in addition to the effective achievement of shared goals.

This fits with a wider European Commission strategy for the improving implementation of EU law, announced in 2007.

#### What are the current issues regarding implementation?

According to the European Commission's communication, the application of EU Environmental law requires particular effort in three areas:

- > Improving infrastructure
- > Putting in place administrative arrangements
- > Facilitating citizen participation

Additionally, the communication explains that EU Environmental legislation covers a myriad of issues, including climate change, air quality and waste management; resulting in the legislation being applied to a range of natural conditions, under both national and regional administrative arrangements and often with cross-border factors.

The European Commission is set to improve the implantation of legislation:

- > By working to prevent breeches
- > By working with member states to solve problems highlighted by citizens and NGOs
- > Through more strategic and intensive enforcement work
- > Through dialogue with the European Parliament

For the full communication, please follow the link below: <u>http://ec.europa.eu/environment/legal/law/index.htm</u>

For information on implementing EU Environmental law, please visit the two links below: <a href="http://ec.europa.eu/environment/legal/implementation\_en.htm">http://ec.europa.eu/environment/legal/implementation\_en.htm</a> <a href="http://ec.europa.eu/environment/legal/implementation\_en.htm">http://ec.europa.eu/environment/legal/implementation\_en.htm</a>

Source; European Commission

# The European Commission presents an EU strategy for safer ship dismantling

The European Commission has presented an EU strategy to make the dismantling of old ships safer for both workers and the environment.

There are between 200 and 600 large merchant ships being taken apart for their valuable scrap metal per year; many of the ships being taken out of service in Europe end up being dismantled on beaches in South Asia.

The European Commission has highlighted several issues surrounding the dismantling of old ships, which include a 'lack of environmental protection and safety measures'; both of which result in high accident rates, health risks and extensive pollution of wide stretches of the coast.

The proposed strategy on better ship dismantling includes actions to help implement key elements of an international convention on safe ship recycling, which is scheduled to be concluded in May 2009.

The proposed strategy also proposes to create measures to encourage voluntary action by the shipping industry, and the better enforcement of the EU's current waste shipment law.

For further information on the proposed strategy, please visit the below link: <u>http://ec.europa.eu/environment/waste/ships/index.htm</u>

Source; European Commission

# **Health and Consumer Protection**

# The European Commission adopts proposal to regulate credit rating agencies

The European Commission has put forward a proposal for a regulation on credit rating agencies.

This proposal is part of a package of proposals aimed at dealing with the financial crisis (covered in the EU General section of this editon) and adds to the Commission's proposals on Solvency II, Capital Requirements Directive, Deposit Guarantee Schemes and accounting<sup>III</sup>.

The new rules are designed to ensure high quality credit ratings which are not tainted by the conflicts of interest which are inherent to the ratings business.

The proposal sets conditions for the issuance of credit ratings and also introduces a registration procedure for credit rating agencies which will enable European supervisors to control the activities of rating agencies whose ratings are used by credit institutions, investment firms, insurance, assurance and reinsurance undertakings, collective investment schemes and pension funds within the Community.

Some of the new proposed rules include the following; 'credit rating agencies...

- May not provide advisory services'
- > Will not be allowed to rate financial instruments if they do not have sufficient quality information to base their ratings on'
- Must disclose the models, methodologies and key assumptions on which they base their ratings'

The full proposal is available at: <a href="http://ec.europa.eu/internal\_market/securities/agencies/index\_en.htm">http://ec.europa.eu/internal\_market/securities/agencies/index\_en.htm</a>

Source; European Commission

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## **Justice and Home Affairs**

Sorry, there are no articles this edition.

<sup>&</sup>lt;sup>iii</sup> For information on *Solvency II, Capital Requirements Directive, Deposit Guarantee Schemes and accounting, please* contact us.

# **Regional Policy**

## EU-China High Level Seminar on regional policy

On November 20, European Commissioner for regional policy, Danuta Hübner, made an official visit to China to participate in the third EU-China high level seminar on regional policy.

During the event, Commissioner Hübner and Du Ying, Vice-Chairman of the National Development and Reform Commission<sup>iv</sup> (NDRC) discussed developments since signing the memorandum of understanding<sup>v</sup> on EU-China regional policy cooperation in 2006.

The event consisted of three main discussions:

#### The joint EU-China regional policy study

Commissioner Hübner discussed the joint EU-China regional policy study which is nearing completion. Financed by the European Union under its EU-China policy development support facility comprises three key features of both China and EU policy, namely:

- > The classification of regions for policy purposes.
- Regional governance issues.
- > The role of regional policy in promoting innovation and improving competitiveness.

Additionally, the study examines how regional policy can stimulate economic growth in regions which are not as affluent as others.

#### **Common challenges**

Commissioner Hübner highlighted challenges faced both by the EU and China from issues such as globalisation.

#### **Next steps**

Two potential initiatives for future EU-China cooperation were discussed at the seminar:

- 1. The establishment of a decentralised network of policy practitioners to promote good practice in regional development.
- 2. A joint study programme which would commission expert studies on regional policy-making.

For further information, please visit the link below: <u>http://ec.europa.eu/regional\_policy/international/china\_en.htm</u>



<sup>&</sup>lt;sup>iv</sup> The NDRC prepares development plans and reports on the national economy and social development to the National People's Congress

<sup>&</sup>lt;sup>v</sup> NDRC is the main agency in charge of macroeconomic management and formulating policies for economic and social development.

## Research

Sorry, there are no articles this edition.

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## Transport

Sorry, there are no articles this edition.

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Diary			
12 November	EPC Breakfast Briefing 'The current financial crisis: challenges and policy responses'; for further information, please contact: Jayesh.patel@lancashire-brussels.org		
13 November	LGA (Local Government Association) meeting to discuss the outcomes of the LGA-EU Summit; for further information, please contact: <u>Tanja.siggs@lancashire-brussels.org</u> and <u>Jayesh.patel@lancashire-</u>		
17-19 November	brussels.org UCLan and LCC delegation in Brussels to attend the UCLan annual Brussels conference; for further information, please contact: Tanja.siggs@lancashire-brussels.org		
18 November	Joint LGA-UKBO meeting to discuss the European Commission's 2009 work programme (annual policy and legislative priorities; for further information, please contact: Tanja.siggs@lancashire-brussels.org		
18 November	UCLan annual Brussels conference on the theme of 'creative and innovative diffusion of knowledge'; please the LBO team: contact us		
19 November	EPC Briefing 'Can social dialogue help us through the current financial crisis?'; for further information, please contact: <u>Jayesh.patel@lancashire-brussels.org</u>		
	European Regional Champions Awards 2008; ; for further information, please contact: <u>Jayesh.patel@lancashire-brussels.org</u>		
20 November	EPRO (Environment Platform of Regional Offices) meeting to discuss the environmental priorities of the Czech Presidency of the European Council (forum for member state ministers); for further information, please contact: <u>Tanja.siggs@lancashire-brussels.org</u>		
21 November	European Commission conference on State Aids – recent reforms and next steps; for further information, please contact: Tanja.siggs@lancashire-brussels.org		
21 November	Cohesion Policy UKBO (UK Brussels Office network) – meeting with Dirk Ahner, Director General of DG Regional Policy. For further information, please contact: <u>Tanja.siggs@lancashire-brussels.org</u>		

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