

The most important legislative acts settled during the Czech Presidency

A Europe without Barriers

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Introduction

In the process of adopting Community legislation, the Presidency played a crucial role by trying to harmonise the approaches of the EU Member States and, where co-decision applies, also the stances of the Council as a whole and the European Parliament. The legislative procedure of the European Union being a continuous process, a number of legislative proposals in different stages of the adoption procedure were handed over to the Czech Presidency by the French Presidency.

This summary contains exclusively **an overview of legislation, the final wording of which was reached under the Czech Presidency**, although a number of these texts will be formally adopted only in the coming six months of the Swedish Presidency. This is also why the list does not include legislation that was settled during the preceding Presidencies and only given the formal seal of approval by the Council in the first half of 2009.

During talks on acts governed by co-decision, the Presidency represents the Council in special meetings known as trialogues, in which it has to reach agreement with the European Parliament on the final wording of legislative texts. Trialogues are also attended by the European Commission as the sponsor of the text in question. The Presidency then has to defend the agreement in the Council from which it received the mandate for negotiating with the Parliament. Until the end of the term of office of the European Parliament, the Czech Presidency struck deals on 50 legislative acts adopted by co-decision procedure. In addition to this, agreement was reached on 23 other legislative proposals negotiated under the consultation procedure, where the Council is not obliged to take account of the opinion of the European Parliament. Finally, there are many pieces of legislation on which decision was taken exclusively by the Council without consulting the European Parliament.

Most Important Approved Acts

Financial Affairs

■ Recovery Plan – Package of EUR 5 billion

- **Projects in the energy sector** (see section Energy)
- **-Projects supporting high-speed Internet access and new challenges of the Common Agricultural Policy** (see section Agriculture)
- **Decision amending the Interinstitutional Agreement of 17 May 2006 on budgetary discipline and sound financial management as regards the multiannual financial framework (2007 to 2013)¹**

The approved decision modifying the ceilings for selected headings while maintaining the overall financial perspective ceiling makes it possible to finance the Community part of the European Economic Recovery Plan amounting to a total of 5 billion euros.

■ Recovery Plan – economic policy and social cohesion measures

- **Regulation on the European Regional Development Fund, the European Social Fund and the Cohesion Fund²**

In response to the economic crisis, the regulation aims to simplify rules and accelerate payments in order to stimulate the implementation of programmes and projects. It increases the flexibility of the system for providing advances, makes it possible to accelerate payments for “major projects” and introduces the option to award contracts directly to the European Investment Bank and the European Investment Fund.

- **Regulation on the European Regional Development Fund as regards the eligibility of energy efficiency and renewable energy investments in housing³**

This regulation streamlines access to grants co-financed by the European Regional Development Fund (ERDF) by simplifying the management, administration and control of operations that receive ERDF grants.

- **Regulation on the European Social Fund to extend the types of costs eligible for a contribution from the ESF⁴**

The regulation facilitates access to grants co-financed by the European Social Fund (ESF) by simplifying the management, administration and control of operations that receive ESF grants.

■ **Decision granting a Community guarantee to the European Investment Bank against losses under loans and loan guarantees for projects outside the Community⁵**

The decision addresses the renewal of the Community budget guarantee to the European Investment Bank (EIB) against losses under loans granted to third countries.

¹ Adopted by the European Parliament (EP): 6 May 2009, adopted by the Council: 27 April 2009.

² Adopted by the EP: 2 April 2009, adopted by the Council: 5 May 2009.

³ Adopted by the EP: 2 April 2009, adopted by the Council: 5 May 2009.

⁴ Adopted by the EP: 2 April 2009, adopted by the Council: 5 May 2009.

⁵ Adopted by the EP: 25 March 2009, formal adoption by the Council expected: during the Swedish Presidency.

■ Amended Directive on the common system of value added tax

■ Amended Directive on the common system of value added tax, as regards reduced VAT rates⁶

The revised Directive 2006/112 focuses on certain labour-intensive local services that can be currently taxed at reduced VAT rates under individual exemptions and interim provisions that will expire by the end of 2010. The adopted draft allows all the Member States to use reduced rates for these services at their own discretion without the existing restrictions; the services include, but are not limited to, housing (residential development and refurbishments) and restaurant services.

■ Amended Directive on the common system of value added tax, as regards tax evasion linked to imports⁷

The revision tightens the legal framework for applying VAT exemption to supplies of goods to another Member State (customs regime 42) following the findings of widespread misuse of this exemption.

■ Technical amendment of the Directive on the common system of value added tax⁸

The revision amends the current rules in four different areas. It introduces new rules limiting the right of tax deduction if the performance received is used for both business and private purposes, which stipulate that the initial right of tax deduction will be limited to the proportion of the inputs' effective use for business purposes. Importantly, the text also unifies rules for tax levied on gas supplied via different types of distribution networks, thus eliminating certain existing interpretation difficulties. Furthermore, the directive defines more precisely VAT exemptions for the European Communities and entities established by the Communities, and includes exemptions brokered by Bulgaria and Romania in their respective accession treaties.

■ Amended Directive on solvency requirements for insurers and reinsurers (Solvency II)⁹

The existing solvency rules for insurers were found inadequate and out of touch with the latest trends in the insurance industry; therefore, the solvency regime was amended. As a part of the amendment, 13 directives on life and non-life insurance and reinsurance were incorporated into a single legislative act. The Solvency II Directive aims to deepen the integration of the EU insurance and reinsurance market, enhance protection of policyholders and beneficiaries, to improve the international competitiveness of EU insurers and reinsurers, and to promote better regulation.

■ Regulation on Credit Rating Agencies¹⁰

The Regulation on Credit Rating Agencies introduces rules for the registration of and supervision over agencies that issue credit ratings and sets forth the conditions for their activities in the EU. The regulation should contribute to improve the quality and objectivity of the ratings relied on by investors when making decisions.

■ Regulation on cross-border payments¹¹

The regulation guarantees that when a consumer makes a cross-border payment in euro, the cost is the same as that of a corresponding payment in euro made within his own Member State. The

⁶ Adopted by the Council: 5 May 2009.

⁷ Political agreement in the Council: 9 June 2009, formal adoption by the Council expected: during the Swedish Presidency.

⁸ Agreement in the Council: 9 June 2009, formal adoption by the Council expected: during the Swedish Presidency after consulting the EP again.

⁹ Adopted by the EP: 22 April 2009; formal adoption by the Council expected: during the Swedish Presidency.

¹⁰ Adopted by the EP: 23 April 2009; formal adoption by the Council expected: during the Swedish Presidency.

¹¹ Adopted by the EP: 24 April 2009, formal adoption by the Council expected: during the Swedish Presidency.

document constitutes an important milestone in the implementation of the Single Euro Payment Area (SEPA) within the EU.

■ **Directive on electronic money institutions (e-money)¹²**

The directive aims to support the development of electronic money as a user-friendly, safe and unexpensive means of payment.

■ **Decision establishing a Community programme to support specific activities in the field of financial services, financial reporting and auditing¹³**

The principal aim of this decision is to improve the functioning of the internal market by streamlining the procedure of creating and applying Community rules. The decision affects financial market supervisors and independent institutions operating in the field of accounting and auditing standards. To preserve their independence and procure adequate funding for their activities, a mechanism for co-financing from the EU budget has been introduced.

■ **Amended Capital Requirements Directive (CRD)¹⁴**

Within the revision of the Capital Requirements Directive, a change to the rules of supervising credit institutions was discussed. The main changes include the establishment of Colleges of Supervisors to cooperate in supervising cross-border credit institution groups and institutions that make business in other Member States via branch offices. The colleges should serve as a platform for sharing information and reaching agreements on key home/host supervision issues. The revision further aims to avert substantial risks related to large exposure (i.e., limits for receivables from a single client or an economically interconnected group of clients) and the introduction of rules for securitisation).

■ **Amended Regulation establishing a facility providing medium-term financial assistance for Member States' balances of payments¹⁵**

The regulation builds on the decision of the Spring EU Council to raise the ceiling for lending from the EU facility to support non euro-area Member States that face difficulties with their balances of payments from 25 billion euros to 50 billion euros. It includes several procedural clarifications incorporated also on the basis of experience with providing support to Hungary and Latvia. This technical amendment concerns above all the formal introduction of the the Memorandum of Understanding that stipulates clear conditions for the assistance programme, formal participation of the Economic and Financial Committee in the process of providing assistance, and establishment of stricter lending supervision. The European Court of Auditors and the European Anti-Fraud Office (OLAF) will be able to exercise technical and financial supervision of the loan.

■ **Decision to grant medium-term loan to Romania from the Community resources in the amount of 5 billion euros¹⁶**

The decision forms a part of the package of assistance provided by the International Monetary Fund, the World Bank, the European Investment Bank and the European Bank for Reconstruction and Development to help Romania address the impacts of the economic and financial crisis; the assistance is provided under the support facility for medium-term assistance to the balances of payments of EU Member States.

¹² Adopted by the EP: 24 April 2009, formal adoption by the Council expected: during the Swedish Presidency.

¹³ Adopted by the EP: 6 May 2009, formal adoption by the Council expected: during the Swedish Presidency.

¹⁴ Adopted by the EP: 6 May 2009, formal adoption by the Council expected: during the Swedish Presidency.

¹⁵ Political agreement in the Council: 5 May 2009, formal adoption by the Council expected: during the Swedish Presidency.

¹⁶ Political agreement in the Council: 5 May 2009, formal adoption by the Council expected: during the Swedish Presidency.

Competitiveness

■ Regulation concerning type-approval requirements for the general safety of motor vehicles¹⁷

According to this regulation, all new vehicles will be equipped with technologies that will enhance road safety, reduce the number of casualties due to traffic accidents and cut down on fuel consumption.

■ Directive on machinery for pesticide application¹⁸

The directive sets out the requirements for machinery used for applying pesticides. It aims to enhance the protection of human health and the environment from the negative impact of pesticides due to the use of such machinery.

■ Amended Regulation on cosmetic products¹⁹

A key aspect of this amended text is that it provides for a balance between manufacturer responsibility and prescriptive regulation of individual, potentially harmful ingredients. Also, crucially, the document includes clear minimum requirements for the cosmetics safety assessment. Moreover, the regulation contains a set of definitions. It introduces a facilitated system for updating a glossary of the names of all relevant cosmetic ingredients. The names used are independent of national languages, thus avoiding the need to translate the list of ingredients on the packaging.

■ Simplification of the Third and Sixth Company Law Directives²⁰

The amendment simplifies the requirements for reporting and documentation in the case of mergers and divisions. Annual savings for companies are estimated at as much as 165 million euros.

■ Decision establishing a European metrology research and development programme²¹

The programme is intended to integrate national programmes of 22 participating States with the aim of enhancing the efficiency and effectiveness of public research in the field of metrology.

■ Review of a Regulation setting up a Community regime for the control of exports, transfer, brokering and transit of dual use items²²

The regulation provides for the control of exports of dual-use items, i.e. goods that are intended to be used for civil purposes but could be misused for the production of conventional weapons or weapons of mass destruction. The current Community regime for the control of exports of dual-use items and technology was established by Regulation 1334/2000, which incorporates the principles of international control regimes and harmonises the implementation of these export controls in the whole of the EU while respecting the freedom of movement of most of these items within the Community. The amended regulation includes a regularly updated list of dual-use items and technology that are subject to export control.

■ Regulation on the Community legal framework for a European Research Infrastructure (ERI)²³

The legal framework centres on rules for establishment and operation of research infrastructures of pan-European interest. The regulation will cover only new facilities and not large infrastructures that

¹⁷ Adopted by the EP: 10 March 2009, adopted by the Council: 22 June 2009.

¹⁸ Adopted by the EP: 22 April 2009, formal adoption by the Council expected: during the Swedish Presidency.

¹⁹ Adopted by the EP: 24 March 2009, formal adoption by the Council expected: during the Swedish Presidency.

²⁰ Adopted by the EP: 22 April 2009, formal adoption by the Council expected: during the Swedish Presidency.

²¹ Adopted by the EP: 22 April 2009, formal adoption by the Council expected: during the Swedish Presidency.

²² Adopted by the Council: 5 May 2009.

²³ Adopted by the Council: 29 May 2009.

have already been established. Each ERI consortium (ERIC) will have the status of an international organisation.

Energy

■ Regulation establishing a programme to aid economic recovery by granting Community financial assistance to projects in the field of energy (Recovery Plan)²⁴

As agreed, out of the five-billion-euro package allocated under the European Economic Recovery Plan to projects in the field of energy, broadband and new challenges faced by the Common Agricultural Policy, 3.98 billion euros will be invested in gas and electricity infrastructure, offshore wind parks and carbon capture and storage projects. Unspent funds could be used for projects aimed to boost energy efficiency and renewable energy.

■ Amended Directive on ecodesign²⁵

The directive establishing a framework for the setting of ecodesign requirements for energy-related products contains rules providing for requirements concerning the ecodesign of selected products having an impact on energy consumption. Minimum requirements for the technology of manufacturing and energy consumption fall within the remit of the Commission and are provided for by implementing measures related to the Directive. These product requirements will be subject to regular reviews assessing their temporal relevance. The Commission will reassess the Directive by 2012 with a view to extending its applicability to products unrelated to energy consumption.

■ Third energy package²⁶

The package is part of the effort to complete the liberalisation of the European internal energy market, expected to cut energy prices and offer a better choice to EU consumers.

■ Directive concerning common rules for the internal market in electricity

The amended directive includes measures providing for electricity production, transmission, distribution and supplies and measures concerning consumer protection. The aim is to improve and integrate competitive electricity markets within the EU.

■ Directive concerning common rules for the internal market in natural gas

The amended directive establishes rules for natural gas transmission, distribution, supplies and storage and also for the organisation and functioning of not only the natural gas sector, but also the sectors for biogas, liquefied natural gas (LNG) and other types of gas produced from biomass.

Both directives address the issue of unbundling (separation of operators) and give vertically integrated undertakings the choice either to implement full ownership separation or to opt for one of two alternative models of organisational separation. They also contain rules concerning the energy security of the EU energy sector with respect to the overwhelming interest of non-European operators to purchase energy networks. Under certain conditions, Member States will be able to reject these offers, in particular where the company concerned does not meet the requirement of ownership separation or where there is a potential threat to the energy security of one of the EU Member States.

■ Regulation establishing an Agency for the Cooperation of Energy Regulators

The main task of the agency established under this regulation is to monitor cross-border cooperation in natural gas and electricity transmission between Member States. This independent

²⁴ Adopted by the EP: 6 May 2009, formal adoption by the Council expected: during the Swedish Presidency.

²⁵ Adopted by the EP: 2 April 2009, formal adoption by the Council expected: during the Swedish Presidency.

²⁶ Adopted by the EP: 22 April 2009, adopted by the Council: 25 June 2009.

agency is expected to fill a gap in regulation at Community level and to contribute to a well-functioning internal electricity and gas market.

■ **Regulation on conditions for access to the network for cross-border exchanges in electricity**

The objective of the regulation is above all to lay down rules necessary for cross-border trade in electricity and to facilitate the emergence of a well-functioning and transparent wholesale electricity market with a high level of security of supplies.

■ **Regulation on conditions for access to the natural gas transmission networks**

The aim of the regulation is mainly to set out non-discriminatory rules for access to gas transmission networks, storage facilities and LNG facilities and also to create a well-functioning and transparent wholesale natural gas market, which grants a high level of security of supplies.

■ **Directive establishing a Community framework for the nuclear safety of nuclear installations²⁷**

The directive introduces new elements aimed to enhance harmonisation in the field covered by the Euratom Treaty. Its objective is to set out basic rules for maintaining and supporting a permanent increase in the high level of the nuclear safety of installations operating in the EU Member States. The directive requires the Member States to set up a national legislative, supervisory and organisational framework for nuclear safety that will set out obligations, provide for coordination between national authorities and define the duties and responsibilities of the operators of nuclear installations.

■ **Directive imposing an obligation on Member States to maintain minimum stocks of crude oil and/or petroleum products²⁸**

The directive replaces and completes existing legislation in the field of emergency stocks of oil. It brings the EU system closer to that of the International Energy Agency (IEA) as regards the methods of calculating stockholding obligations; it increases the transparency of stocks and allows the Commission to carry out tighter controls. It maintains the compulsory volume of stocks at the level of 90 days and newly introduces the obligation to hold stocks in the form of products at a level corresponding to 30 days. This makes it possible to respond more rapidly to possible supply disruptions. In the event of an international action, the IEA and the EU, including those Member States that are not members of the IEA, will work together to coordinate the release of stocks. Overall, the new directive strengthens the energy security of the European Union.

Transport

■ **Air Transport Package²⁹**

■ **Amendment of regulations establishing the concept of the Single European Sky (SES II)**

This is the second package containing legal regulations on the Single European Sky (SES II) that consolidate the existing legislation on the SES and provide for a general framework that supports an increase of efficiency and sustainability of the European Aviation System.

■ **Regulation extending the competence of the European Aviation Safety Agency to include the area of airspace and aerodromes**

The text amending Regulation no. 216/2008, which extends the EASA's responsibilities to cover the area of air traffic management systems (ATM/ANS) and aerodromes, includes measures aimed to improve the regulatory system for aviation safety in Europe. Above all, it introduces an obligatory system of certification for all air traffic management systems and for all aerodromes

²⁷ Adopted by the Council: 25 June 2009.

²⁸ Adopted by the EP: 22 April 2009, adopted by the Council: 12 June 2009.

²⁹ Adopted by the EP: 25 March 2009, formal adoption by the Council expected: during the Swedish Presidency.

that are open to the public and serve commercial flights in accordance with instrument flight rules and have a paved runway which is at least 800 metres long.

■ Road Package³⁰

■ Regulation on access to the international road haulage market

This regulation aims to increase the transparency and enforceability of the existing rules. The proposed measures should contribute towards a more efficient use of the internal market for the carriage of goods by road, in particular by reinforcing legal certainty, cutting administrative costs and allowing fairer competition. The text introduces common rules concerning the binding conditions to be complied with to pursue the occupation of road transport operator, and further simplifies and clarifies these rules in order to make them easily applicable, to enhance their efficiency and to facilitate supervision. The most important item of the regulation is the definition of cabotage.

■ Regulation for access to the international market for coach and bus services

The regulation is designed to improve, simplify, update and modernise existing legislation in the area of access to the market of international coach and bus transport at Community level. It also introduces more flexible rules for rest periods in occasional international bus and coach transport service.

■ Regulation concerning the conditions to be complied with to pursue the occupation of road transport operator

The directive currently providing for this area has been the source of difficulties because of varying interpretations and discrepancies in compliance supervision in the individual Member States, which also had a negative impact on the economy. Therefore, the objective is to create directly binding, uniform and equally applicable rules for admission to the occupation of road transport operator.

■ Regulation on the second "Marco Polo" Programme³¹

The approved amendments to Regulation no. 1692/2006 establishing the second 'Marco Polo' programme for the granting of Community financial assistance to improve the environmental performance of the freight transport system are aimed to make the programme more attractive and more widely used by applicants and to promote a modal shift off the road to short sea shipping, rail and inland waterways). These provisions will increase the use of the programme by small and medium-sized enterprises, particularly by companies operating on inland waterways, lower the minimum thresholds for individual project categories, increase financial assistance and simplify the administrative procedures of the programme.

■ Amended Regulation on common rules for the allocation of slots at Community airports³²

The global financial and economic crisis has caused a severe drop in air travel. The amended regulation will guarantee that air carriers will not risk losing their airport slots due to under-use caused by the economic crisis because the "use-it-or-lose-it-rule" will be temporarily suspended.

Telecommunications and Information Society

■ Regulation concerning Community statistics on the information society³³

The regulation will contribute towards the monitoring of the Community policy that aims to create an information society accessible to all, on the basis of widespread use of information and

³⁰ Adopted by the EP: 23 April 2009, formal adoption by the Council expected: during the Swedish Presidency.

³¹ Adopted by the EP: 23 April 2009, formal adoption by the Council expected: during the Swedish Presidency.

³² Adopted by the EP: 7 May 2009, formal adoption by the Council expected: during the Swedish Presidency.

³³ Adopted by the EP: 2 April 2009, formal adoption by the Council expected: during the Swedish Presidency.

communication technologies (ICT) in public services, in small and medium-sized enterprises and households. The regulation aims to ensure the continuation of the existing common framework for systematic production of harmonised, reliable, high-quality and up-to-date Community statistics concerning the information society and to update regulations in accordance with the needs of this rapidly changing area.

■ **Amended Roaming Regulation³⁴**

The amendment caps the price for sending text messages from/to other EU Member States and reduces data roaming charges while extending the validity of the price cap for voice roaming services until 2012.

■ **Decision on interoperability solutions for European public administrations (ISA)³⁵**

The aim is to establish a programme for the 2010 – 2015 period concerning interoperability solutions for European public administrations including Community bodies and entities and to stimulate their cooperation by facilitating mutual electronic interaction. Thanks to this, it will be possible to provide public electronic services to support the implementation of Community policies and actions. This programme will include studies, projects and accompanying measures that will pave the way for the creation and further development of common frameworks, common services, re-usable generic tools and, last but not least, assessments of the impact of proposed or adopted Community legislation from the point of view of information and communication technologies and vice versa.

■ **Telecoms Package (partially adopted)³⁶**

■ **Regulation establishing the Body of European Regulators for Electronic Communications (BEREC)**

The main reason for the establishment of a common body is the need to support the single telecommunications market. Its development has so far been hampered by inconsistent regulatory approaches, differences in competences, various degrees of independence and lack of financial and human resources.

■ **Amendment of the electronic communications regulatory framework - “Better Regulation Directive”**

This text amends the regulatory framework for electronic communication networks and services from 2002, which is based on three pillars: better regulation (i.e. more efficient regulation), completion of the internal electronic communications market and greater involvement of citizens, including their better protection. The amendment enhances the legal certainty of businesses as regards new investments in new generation networks; encourages cooperation between national regulators and increases their independence. It also harmonises increased competence of the Commission with co-decision granted to the European Electronic Communications Market Authority.

■ **Amended Regulatory framework for electronic communications – “Consumer Protection Directive”**

The new regulatory framework is aimed to ensure a high level of protection of the rights of consumers and users including the right to privacy and data protection in the field of electronic communications. In addition to bringing many advantages to consumers, the framework is

³⁴ Adopted by the EP: 22 April 2009, adopted by the Council: 8 June 2009.

³⁵ Adopted by the EP: 22 April 2009, formal adoption by the Council expected: during the Swedish Presidency.

³⁶ The Czech Presidency succeeded in brokering the Telecoms package with the exception of one last pending article (the only article not to have been accepted by the EP at the plenary vote on 6 May 2009), concerning the principle that the fundamental rights and freedoms of end-users may be restricted only on the basis of a prior court ruling. An agreement on a compromise wording of this article is expected to be reached between the Swedish Presidency and the new EP under a conciliation procedure.

expected to contribute towards enhancing the quality of services and strengthen the security of networks.

■ **Amended GSM Directive**³⁷

This directive will make it possible to use the GSM spectrum also for high-speed internet, thus eliminating unnecessary legislation. Further, it will enable the development of the most modern information and communication technologies.

Environment

■ **Regulation on substances that deplete the ozone layer**³⁸

The amended regulation provides for the phase-out of substances that deplete the ozone layer by clarifying conditions under which the use of such substances will be stopped, and by simplifying legislation, thus reducing the administrative burden. The production and use of hydro chlorofluorocarbons (HCFCs) will be gradually decreased in a substantial manner and a total ban will come into effect as of 2020, on the basis of an agreement between the EP and the Council.

■ **Directive concerning the placing of biocidal products on the market as regards the extension of certain time limits**³⁹

Biocidal products are products containing one or more active substances intended to destroy, deter, render harmless, prevent the action of, or otherwise exert a controlling effect on any harmful organism by chemical or biological means. The aim of the revision of the directive is to extend until 2014 the transitional period during which the biocidal products market will continue to be regulated by national legislation, thus preventing the withdrawal of certain products from the market.

■ **Regulation on the voluntary participation by organisations in a Community eco-management and audit scheme (EMAS)**⁴⁰

The amended text of the regulation is aimed to increase the number of organisations using the EMAS scheme, and to lead to the recognition of EMAS as the highest standard for environmental management systems. The measures are expected to have a positive impact on the environment, increase economic effects (saving energy and raw materials costs, disposal of waste, charges etc) and promote competitiveness.

■ **Regulation on a Community Ecolabel scheme**⁴¹

The current eco-label award scheme was evaluated as unsatisfactory, since the Ecolabel is not sufficiently known and, due to excessive red-tape, businesses use it only to a limited degree. The revision of the Community Ecolabel scheme aims at increasing awareness, widening the choice of ecolabelled products for consumers (a 10% share of ecolabelled product groups on the market), harmonising the Ecolabel with other global and national labels and making the Ecolabel accessible for a reasonable price.

■ **Regulation concerning trade in seal products**⁴²

The regulation imposes a restriction on the placing of pinniped products (e.g. skins) on the Community market in order to protect their populations from all cruel hunting methods with the aim of protecting global biodiversity. Trade will only be limited to products derived from traditional hunts conducted by indigenous communities. The placing on the market will also be possible for products

³⁷ Adopted by the EP: 6 May 2009, formal adoption by the Council expected: during the Swedish Presidency.

³⁸ Adopted by the EP: 24 March 2009, formal adoption by the Council expected: during the Swedish Presidency.

³⁹ Adopted by the EP: 24 March 2009, formal adoption by the Council expected: during the Swedish Presidency.

⁴⁰ Adopted by the EP: 2 April 2009, formal adoption by the Council expected: during the Swedish Presidency.

⁴¹ Adopted by the EP: 2 April 2009, formal adoption by the Council expected: during the Swedish Presidency.

⁴² Adopted by the EP: 5 May 2009, formal adoption by the Council expected: during the Swedish Presidency.

that result from restricted coastal fisheries – however, such products will be excluded from commercial use.

■ **Directive on Stage II petrol vapour recovery during refuelling of passenger cars at service stations** ⁴³

According to the compromise agreed, within several years, all service stations in the European Union will have to be equipped with devices that will recover petrol vapours from the tank when the car, van or motorcycle is refuelled. The vapour recovery systems are thus expected to improve air protection, people's health, and lead to fuel savings. As regards environment protection, vapour recovery is of benefit not only to the area where the service station is located, but also the overall quality of air in the EU Member States.

Employment and Social Policy

■ **Social security package**⁴⁴

■ **Regulation on the coordination of social security of migrating persons**

■ **Implementing regulation on the coordination of social security of migrating persons**

The new legislation streamlines and simplifies existing rules for meeting social claims of EU citizens living and working in another Member State, while taking into account the rulings of the European Court of Justice. The new rules will speed up the processing of applications submitted by persons living abroad, remove certain barriers and modernise the exchange of information between authorities in the EU-27.

■ **Amended Regulation on establishing the European Globalisation Adjustment Fund (EGF)**⁴⁵

The aim is to enable the EGF to provide more effective support to employees who have become redundant due to globalisation and extend the scope of the fund to cover those who have been laid off due to the financial and economic crisis, thus fulfilling better the EGF solidarity mission. Member States will become eligible to receive money from the fund in case of 500 employees having been made redundant (in a given MS within four months; within nine months in case of SMEs), as opposed to the threshold of 1,000 employees considered so far. The amount of EU co-financing will be temporarily increased from today's 50 % to 65 %. The money provided by the EGF must be mandatorily used for retraining, counselling etc. within a two-year period.

Agriculture

■ **Revision of the Regulation on support for rural development by the European Agricultural Fund for Rural Development (Recovery Plan – projects supporting broadband Internet and new challenges faced by the Common Agricultural Policy)**⁴⁶

- As agreed, out of the five-billion-euro package allocated under the European Economic Recovery Plan to projects in the field of energy, broadband and new challenges faced by the Common Agricultural Policy, 1.020 billion euros will be invested to support broadband for rural areas and measures related to new challenges in agriculture. Member States can also temporarily increase the rate of co-financing.

■ **Regulation concerning the general rules on the definition, description and presentation of aromatised wines, aromatised wine-based drinks and aromatised wine-product cocktails**⁴⁷

⁴³ Adopted by the EP: 5 May 2009, formal adoption by the Council expected: during the Swedish Presidency.

⁴⁴ Adopted by the EP: 22 April 2009, formal adoption by the Council expected: during the Swedish Presidency.

⁴⁵ Adopted by the EP: 6 May 2009, adopted by the Council: 11 June 2009.

⁴⁶ Adopted by the EP 6 May 2009, adopted by the Council: 25 May 2009.

⁴⁷ Adopted by the EP: 19 February 2009, formal adoption by the Council expected: during the Swedish Presidency.

- Given the economic importance of the market of aromatised drinks for Community agriculture and the scope of legal regulation, it is necessary to lay down common provisions on this subject. The regulation governs the general rules on the description and presentation of aromatised wines, aromatised wine-based drinks and wine-product cocktails.
- **Inclusion of the reform of the wine sector into the Regulation establishing a common organisation of agricultural markets** ⁴⁸
 - This measure repeals Regulation no. 479/2008 on the common organisation of the market in wine and integrates its content into a single regulation on the common organisation of markets, thus completing one of the steps of the process of simplification of the Common Agricultural Policy, which spans over several years. Within this process 21 regulations on the common organisation of markets in individual areas will be incorporated into one, whereby a single set of harmonised rules will be created in the future.
- **Regulation on the conclusion of the Agreement between the European Community and the Government of the Russian Federation on cooperation in fisheries and the conservation of the living marine resources in the Baltic Sea** ⁴⁹
 - The objective of the new agreement is to ensure close cooperation between the parties on the basis of the principle of equitable and mutual benefit for the purpose of conservation, sustainable exploitation and management of any straddling, associated and dependent stocks in the Baltic Sea. The agreement sets out provisions on joint management measures, licensing, compliance with conservation and management rules and other fisheries regulations, control and enforcement cooperation, inspections, arrest and detention of vessels and scientific cooperation.
- **Regulation establishing a multiannual recovery plan for bluefin tuna in the Eastern Atlantic and Mediterranean** ⁵⁰
 - This regulation is a response to the scientists' concerns regarding the critical condition of the tuna stock on account of overfishing. In general, the plan provides for a step-by-step reduction in the catch quota, an increase in the minimum size of the catches, restrictions on fishing with longline vessels and purse seine vessels, and it reinforces control measures with the aim to combat illegal fishing.
- **Council Regulation repealing 14 obsolete regulations in the field of the Common Fisheries Policy** ⁵¹
 - This regulation is related to the Action Plan for simplifying and improving the Common Fisheries Policy for 2006 – 2008. By repealing 14 obsolete rules, it contributes towards the simplification and increased transparency of legislation governing the fisheries sector within the framework of the Common Fisheries Policy.
- **Amended Regulation laying down the conservation and enforcement measures applicable in the Regulatory Area of the Northwest Atlantic Fisheries Organisation** ⁵²
 - This regulation introduces the conservation and enforcement measures, which have already been adopted for the regulatory area of Northwest Atlantic Fisheries Organisation, into the Community legislation.
- **Regulation on animal by-products not intended for human consumption** ⁵³
 - The objective of the regulation is to maintain a high level of safety along the whole production and distribution chain, from “farm to fork”. The regulation deals with all forms of animal and farm materials not designed to enter the human food chain.

⁴⁸ Adopted by the Council: 25 May 2009.

⁴⁹ Adopted by the Council: 23 March 2009.

⁵⁰ Adopted by the Council: 6 April 2009.

⁵¹ Adopted by the Council: 25 May 2009.

⁵² Adopted by the Council: 7 July 2009.

⁵³ Adopted by the EP 22 on April 009, formal adoption by the Council expected: during the Swedish Presidency.

- **Regulation on the protection of animals at the time of killing** ⁵⁴
 - This regulation, which aims to improve animal protection at the time of slaughter, lower administrative burdens, and harmonise the rules of animal welfare within the whole of Europe, will replace the existing Regulation no. 119/1993 as of 1 January 2013. The final compromise text draws on the most recent scientific knowledge in order to set out the technical parameters of slaughterhouses and stunning methods, including ways of monitoring their efficiency. It also provides for the possibility to maintain existing national rules which support animal welfare and some of which may be further tightened.
- **Decision simplifying procedures of listing and publishing information in the veterinary and zootechnical fields** ⁵⁵
 - This measure concerns the rules for information published by national reference laboratories and addresses the problem of a legal vacuum for the period following the issuing of the relevant Directive no. 73/2008 until 1 January 2010.
- **Amended Regulation establishing a common organisation of agricultural markets as regards the marketing standards for poultrymeat** ⁵⁶
 - The aim of this amendment is to ensure that poultrymeat products meet the food hygiene requirements. The amended text extends the standards for fresh poultrymeat to include poultrymeat preparations and semi-finished products. Above all, the text aims to exclude goods that had previously been frozen from the category of fresh poultrymeat.
- **Regulation on novel foods** ⁵⁷
 - The regulation aims to ensure food safety, protect human health and secure the functioning of the internal market for food, and it clarifies the definition of novel foods (including new technologies used in food industry).
- **Regulation concerning statistics on plant protection products** (partially adopted) ⁵⁸
 - The objective of the regulation is to establish a framework for the production of Community statistics on the placing on the market and use of plant protection products (pesticides). Collecting data on the sales and use of plant protection products is one of the measures of the strategy of sustainable use of pesticides. In compliance with the regulation, appropriate indicators will be studied in order to monitor the risks related to the use of pesticides; on the basis of this text the Member States will collect comparable data for the creation of harmonised statistics.

Culture and the Audiovisual Sector

- **Decision establishing the MEDIA Mundus programme** ⁵⁹
 - This new type of programme aimed to support cooperation between professionals in the audiovisual sector will exist in parallel with the MEDIA 2007 programme. It will include not only EU Member States but also third countries. The proposed decision is a result of the preparatory work carried out by within the framework of the Media International project.

Justice and Home Affairs

- **Directive on sanctions against employers of illegally staying third-country nationals** ⁶⁰

⁵⁴ Adopted by the Council on 22 June 2009.

⁵⁵ Adopted by the EP on 2 April 2009, adopted by the Council on 5 May 2009.

⁵⁶ Adopted by the Special Committee on Agriculture on 6 April 2009; formal adoption by the Council expected: during the Swedish Presidency.

⁵⁷ Adopted by the Council on: 22 June 2009.

⁵⁸ Partially adopted by the EP on 22 April 2009 (EP adopted the whole regulation with the exception of one of the two negotiated amendment proposals, which concerns the definition of pesticides). During the Swedish Presidency the Council decide whether the text will continue to a third reading or whether it will adopt the regulation in the wording adopted by the EP.

⁵⁹ Adopted by the EP: 7 May.2009, formal adoption by the Council expected: during the Swedish Presidency.

⁶⁰ Adopted by the EP: 20 February 2009, adopted by the Council: 25 May 2009.

- The aim of the directive is to provide for common standards on sanctions and measures against employers of citizens from third countries illegally staying on the territory of the Member States and to ensure that these measures are enforced effectively. In addition to financial penalties, the directive envisages, in serious cases, the introduction of criminal sanctions for employers of illegally staying third-country nationals. The Member States are expected to ensure the implementation of efficient and adequate inspections to control the employment of illegally resident third-country nationals.

■ **Regulation amending the Common Consular Instructions** ⁶¹

- The adoption of the amended Common Consular Instructions constitutes a significant change as opposed to the current practice. The amended text sets out the legal basis for the collection of biometric identifiers in the Visa Information System. In addition, this regulation aims to extend the range of consular offices in large countries, improve the process of processing applications in countries with a large number of consular offices, and save financial means, particularly the costs of technical equipment to collect fingerprints.

■ **Regulation establishing a Community Visa Code (Visa Code)** ⁶²

- Creating a common space without internal borders requires the introduction of common conditions for entry into the EU territory, particularly as regards short-term visas. The Code harmonises the currently fragmented Community instruments in the visa field and amends relevant sections of legislation so as to better reflect the current development in this area. The main contribution of the Visa Code is the strengthening of guarantees granted to visa applicants, e.g. by providing for the possibility to appeal in case the visa is refused, and the fact that it extends the categories of applicants who are issued a visa for a reduced fee.

■ **Agreements between Member States and third countries in the area of judicial cooperation in civil matters**

■ **Regulation on bilateral agreements between Member States and third countries covering applicable law in contractual and non-contractual obligations** ⁶³

This regulation governs the procedure for negotiating and concluding agreements between Member States and third countries concerning applicable law in contractual and non-contractual obligations.

■ **Regulation on bilateral agreements between Member States and third countries concerning matrimonial matters, parental responsibility and maintenance obligations.** ⁶⁴

- This regulation sets out a mechanism identical to the above in the field of family law.
- The main objective of both regulations is to give the Member States the possibility to negotiate international agreements with third countries in the area of civil cooperation for EU Member States, albeit this competence was transferred to the Community in compliance with the theory of implicit powers. The political impact of the regulations extends beyond the framework of civil justice since it relates to the general issue of distribution of competences between the Member States and the Community.

■ **Amended Directive on ship-source pollution and on the introduction of penalties for infringements** ⁶⁵

⁶¹ Adopted by the EP: 25 March, adopted by the Council 5 March 2009.

⁶² Adopted by the EP: 2 April 2009, adopted by the Council: 25 June 2009.

⁶³ Adopted by the EP: 7 May 2009, the Council took note of this regulation on 5 June 2009, formal adoption by the Council expected: during the Swedish Presidency.

⁶⁴ Political agreement in the Council: 5 June 2009, formal adoption by the Council expected: during the Swedish Presidency.

⁶⁵ Adopted by the EP: 5 May 2009, adopted by the Council: 4 June 2009.

- The aim of the amendment is to ensure a more effective protection of the sea from pollution by instituting criminal sanctions for illegal discharge of pollutants from ships into the marine environment.

■ **Framework decision of the Council on prevention and settlement of conflicts of jurisdiction in criminal proceedings** ⁶⁶

The aim is to prevent parallel criminal proceedings in several Member States against the same defendant for the same facts and thereby to pave the way for more consistent respect of the principle "ne bis in idem".

⁶⁶ Political agreement in the Council: 5 April 2009, formal adoption by the Council expected: during the Swedish Presidency.