



# EU Supplement

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## Introduction

This supplement covers the significant EU developments during December 2005–February 2006 in the broad areas of social policy, consumer policy and citizens' rights.

Monthly updates are posted on the Citizens Information Database at the end of each month ([www.cidb.ie](http://www.cidb.ie)). These include more detailed information on many of the topics which are briefly described in the Supplement and on a number of other topics; information on proposals for new legislation and on reports published by the EU; information on calls for proposals for funding – these must be checked frequently as the closing dates are usually within a number of weeks of publication and information on the implementation of EU Directives in Ireland.

There is further information about almost all the issues mentioned on the Europa website: [www.europa.eu.int](http://www.europa.eu.int). In some cases, we give the extended website address. The Official Journal of the EU may be accessed via [www.europa.eu.int/eur-lex](http://www.europa.eu.int/eur-lex)

## Employment and Social Policy

### Services Directive

The European Parliament has finished its first reading of the proposed Services Directive. (See EU Supplement July 2005 for details). It agreed the proposal with a range of amendments. The proposal will now be redrafted by the Commission. The Council must then consider the new draft. It is not clear which of the Parliament's proposed amendments will be accepted by the Commission and the Council. If the Council rejects any of Parliament's amendments or adds any of its own, the proposal will have a second reading in the Parliament.

Among the issues which now have to be addressed are:

- ◆ the implementation of the country-of-origin principle: the original proposal was that a service provider who is legally established in one member state would be entitled to operate in other member states without further legal requirements. The Parliament wants reference to that principle removed. There seems to be general agreement that service providers should be free to provide services in other member states but the issue which remains to be decided is what law will apply to the service provider – the law of the country of origin or the law of the country in which the service is being provided.
- ◆ the possible exclusion from the terms of the Directive of a range of services such as services of general interest (for example, postal services, electricity, water supply); health and social services; activities connected with the exercise of official authority; audio-visual services; temporary employment agencies and gambling.
- ◆ the effects of the proposed Directive on matters such as trade union and collective bargaining rights: the Parliament included a specific clause stating that the Directive would not affect the employment law in the member states.

### Progress Report on Growth and Jobs

The Commission has published its Annual Progress Report on the Lisbon Strategy. The Report analyses the 25 National Reform Programmes which were submitted by the member states to the Commission in October 2005. It identifies the strengths in different national programmes with a view to promoting the exchange of good ideas and it highlights areas where there are shortcomings and proposes action at EU and national level to deal with them.



*information for all*

The Commission intends to hold a social summit and issue a report on what it calls “flexicurity” – the balance between flexibility and employment security.

[http://europa.eu.int/growthandjobs/index\\_en.htm](http://europa.eu.int/growthandjobs/index_en.htm)

The full set of National Reform Programmes are at:

[http://europa.eu.int/growthandjobs/pdf/nrp\\_2005\\_en.pdf](http://europa.eu.int/growthandjobs/pdf/nrp_2005_en.pdf)

## Free movement of workers

The Commission has published a report on workers’ mobility from the EU member states which joined on 1 May 2004 to the 15 member states which were already members at that date. The transition arrangements for the implementation of free movement of workers require that this report be published. (See EU Supplement, May 2004 for details of the rules on the free movement of workers.)

There are no restrictions on nationals of Cyprus and Malta in any of the member states.

Three countries – Ireland, Sweden and the UK – allowed full free movement of workers (the UK requires registration within 30 days of taking up work). The other 12 countries retained their work permit system but modified it in some cases. The member states must notify the Commission of what they plan to do in the next phase – from 1 May 2006 to 30 April 2009.

The report shows that there has been a lower than expected rate of movement from the new member states. Ireland has seen relatively the largest inflow of workers. Workers from the new member states constitute 3.8% of the working age population in Ireland (the average in the other countries is less than 1%).

[http://europa.eu.int/comm/employment\\_social/free\\_movement/docs\\_en.htm](http://europa.eu.int/comm/employment_social/free_movement/docs_en.htm)

[http://europa.eu.int/comm/employment\\_social/empl\\_web/news/news\\_en.cfm?id=119](http://europa.eu.int/comm/employment_social/empl_web/news/news_en.cfm?id=119)

## Co-ordination of social protection and inclusion policies

The Commission has proposed a new framework for co-operation between member states in the areas of social protection and social inclusion policies – “Working together, working better: A new framework for the open coordination of social protection and inclusion policies in the European Union” (COM(2005) 706 final)

Social protection and social inclusion policies are the responsibility of the governments of member states and the EU has very limited powers to develop or implement policies. In recent years and especially since the start of the Lisbon Strategy, the EU has been involved in co-ordinating the policies of member states in order to ensure that the aims of that strategy may be furthered. The process of co-ordination is known as the Open Method of Co-ordination. The idea is that member states come together to pool knowledge and try to agree common objectives and indicators to measure progress. This co-ordination has been going on separately in three

areas – social inclusion, pensions, and health/long-term care. The current proposal from the Commission is that there should be one process to cover all three areas.

The social inclusion process:

[http://europa.eu.int/comm/employment\\_social/social\\_inclusion/index\\_en.htm](http://europa.eu.int/comm/employment_social/social_inclusion/index_en.htm)

The pensions process:

[http://europa.eu.int/comm/employment\\_social/social\\_protection/pensions\\_en.htm](http://europa.eu.int/comm/employment_social/social_protection/pensions_en.htm)

## Driving and resting time for professional drivers

The Council has agreed the proposed Regulation establishing common rules on driving times, breaks and rest periods for professional drivers and requiring the use in road transport vehicles of a digital tachograph to measure these times. This repeals Regulation 3820/85. The Council also approved the proposed Directive updating and repealing Directive 88/599/ECC on checks on implementation of social legislation relating to road transport.

The Regulation is aimed at improving social conditions for professional drivers and general road safety. Drivers are already subject to maximum driving hours – 9 hours daily and not more than 90 hours a fortnight. It introduces a new maximum weekly limit of 56 hours and provides for daily and weekly rest periods. It also provides that use of the digital tachograph will be mandatory for new vehicles from May 2006.

[http://europa.eu.int/comm/transport/index\\_en.html](http://europa.eu.int/comm/transport/index_en.html)

## Active inclusion of people with disabilities in the EU

The Commission has published a Communication which aims to improve the active inclusion of people with disabilities in the EU. One of the main priorities is raising disabled people’s employment and activity rates. [http://europa.eu.int/comm/employment\\_social/empl\\_web/news/news\\_en.cfm?id=96](http://europa.eu.int/comm/employment_social/empl_web/news/news_en.cfm?id=96)

In the EU, 44.6 million – one in six – people aged between 16 and 64 report that they have a long standing health problem or disability. People with disabilities represent at least 16% of the overall EU working age population. Nearly 30% of people in the age group 55-64 report a disability. 63% of people with disabilities are older than 45. 40% of people with disabilities are employed (this compares with 64.2% of non-disabled people. Further information on the activity levels of people with disabilities is at:

[http://europa.eu.int/comm/employment\\_social/employment\\_analysis/employ\\_2005\\_en.htm](http://europa.eu.int/comm/employment_social/employment_analysis/employ_2005_en.htm)

## Financing of Social Policies in the EU

The Commission has published a paper on “Sustainable Financing of Social Policies in the European Union” (SEC(2005)1774). This provides a review of the way

social policies are financed in each of the member states and the main challenges facing these financing arrangements.

[http://europa.eu.int/comm/employment\\_social](http://europa.eu.int/comm/employment_social)

## Impact of ageing on public expenditure

A report on *The impact of ageing on public expenditure: projections for the EU25 Member States on pensions, health care, long-term care, education and unemployment (2004-2050)* has been published. It was drawn up by the Economic Policy Committee and the Commission. The report is available at:

[http://europa.eu.int/comm/economy\\_finance/publications/eespecialreports\\_en.htm](http://europa.eu.int/comm/economy_finance/publications/eespecialreports_en.htm)

[http://europa.eu.int/comm/economy\\_finance/epc/epc\\_publications\\_en.htm](http://europa.eu.int/comm/economy_finance/epc/epc_publications_en.htm)

# Health and Consumer Affairs

## Medicines for children

The Council has reached political agreement on the proposed Regulation on medicines for children. It will be discussed again in the European Parliament and should become law in 2007. The aim of the proposal is to ensure that medicines for children are tested on children and authorised for use with children.

<http://pharmacos.eudra.org/F2/Paediatrics/index.htm>

## Single Payments Area

The Commission has published proposals to create a "Single Payments Area" in the EU. The aim is to make cross-border payments – by credit card, debit card, electronic bank transfer, direct debit or any other means – as easy, cheap and secure as payments within one member state. It is hoped to achieve this by 2010. At present, there are various services which cannot be exercised in cross border transactions, for example, direct debits and national debit cards cannot be used in other countries.

[http://europa.eu.int/comm/internal\\_market/payments/framework/index\\_en.htm](http://europa.eu.int/comm/internal_market/payments/framework/index_en.htm)

## Food hygiene

The EU Food Hygiene package came into force on 1 January 2006. The package covers rules on the hygiene of foodstuffs, specific hygiene rules for food of animal origin, and specific rules for controls on products of animal origin intended for human consumption. General rules are laid down for all food, while specific measures are included for meat and meat products, bivalve molluscs, fishery products, milk and dairy products, eggs

and egg products, frogs' legs, snails, animal fats, gelatine and collagen.

The basic rule is that responsibility for safe food rests with the food operators who are involved in the production, manufacture, processing, distribution or retail of the food. All food operators have to be registered and they are obliged to apply compulsory self-checking programmes and follow the Hazard Analysis and Critical Control Point (HACCP) principles in all sectors of the food industry (except farms). Primary producers (farmers) must protect, as far as possible, primary products against contamination.

Regulation 183/2005 on Feed Hygiene sets out the rules on the production, transport, storage and handling of animal feed. As with food operators, feed businesses have primary responsibility for ensuring the safety of products put on the market. They have to apply the HACCP self-checking principles, keep records of production and marketing, be registered with the national authorities, and undergo mandatory training. They are obliged to pay for the costs, such as withdrawal from the market and destruction of feed, if something goes wrong.

Member states are required to draw up annual control and contingency plans which are evaluated by the Food and Veterinary Office (FVO) of the EU.

Food safety rules are implemented in Ireland by the Food Safety Authority of Ireland and by other agencies on its behalf: [www.fsai.ie](http://www.fsai.ie)

# Justice and Home Affairs

## Maintenance claims

The Commission has published a proposal for a Regulation on maintenance obligations. This aims to improve the situation of maintenance creditors (people to whom maintenance payments should be made) by making it easier to make claims and implement maintenance orders. (See *Relate*, May 2005 for details of the current maintenance rules). The proposals must be agreed unanimously by the Council. The European Parliament must be consulted but does not have a decision-making role on family law issues.

## Policy Plan on Legal Migration

The Commission has published a "Policy Plan on Legal Migration". The plan focuses on economic migration and sets out various actions which the Commission proposes to take in the period 2006-2009.

These actions cover:

- ◆ legislation to regulate the conditions of entry and residence of third-country nationals in employment
- ◆ actions and policies to foster knowledge building and sharing of information in the immigration field
- ◆ policies aimed at supporting and improving the integration of economic migrants and their dependants and
- ◆ measures aimed at a more efficient management of international immigration flows which need the cooperation and the support of the countries of origin of the immigrants

[http://europa.eu.int/comm/justice\\_home/news/consulting\\_public/economic\\_migration/news\\_contributions\\_economic\\_migration\\_en.htm](http://europa.eu.int/comm/justice_home/news/consulting_public/economic_migration/news_contributions_economic_migration_en.htm)

## Status of third-country nationals who are long-term residents in the EU

Directive 2003/109/EC of 25 November 2003 concerning the status of third-country nationals who are long-term residents came into effect on 23 January 2006. To acquire long-term resident status, third-country nationals have to prove that they have continuously and legally lived in a member state for at least five years and that they have adequate resources and sickness insurance. Member states may require third-country nationals to comply with integration conditions. Getting this status means that they have more protection against expulsion, they are guaranteed equal treatment with nationals of the EU in a range of economic and social matters and have the right to live in another member state for employment, study or other purposes on the conditions set out in the directive.

## Data retention

The Justice and Home Affairs Council has agreed the proposed Directive on data retention (see EU Supplement, January 2006 for details of the original proposal). The Irish government voted against this Directive.

The new Directive amends Directive 2002/58/EC. It aims to harmonise the obligations of providers of publicly available electronic communications services or of public communications networks with respect to the retention of certain data which are generated or processed by them, in order to ensure that the data are available for the purpose of the investigation, detection and prosecution of serious crime. The data must be retained for at least six months and for not more than two years. The Directive will come into effect in about 18 months.

# General

## EU budget

The European Council has agreed the Financial Perspective 2007-2013 – in effect, the EU budget for those years.

The total budget of just over €862 billion for 2007-2013 is 1.045% of EU Gross National Income. A review of EU spending will take place in 2008 – this will cover all aspects of the budget.

## Travellers' allowances

The Commission has published a proposal renewing the provisions on travellers' allowances as from 1 January 2007. Travellers' allowances are the total amount of money or the total quantity of goods which travellers entering the EU from third countries are allowed to import duty free. The main proposal is to increase the current money limit of €175 to €500 for air travellers and to €220 for other travellers. The money limit was last increased in 1994. It is also proposed

- ◆ to abolish the limits on the quantity of perfume, coffee and tea (they will be taken into account in the overall money limit)
- ◆ to introduce a new quantitative limit on beer, which is currently the only alcoholic beverage without such a limit (the limit on spirits is one litre)
- ◆ to give the member states the option of reducing the limits on tobacco products

There are limits on the amounts of certain goods, for example, at present the maximum is 200 cigarettes.

[http://europa.eu.int/comm/taxation\\_customs/taxation/tax\\_cooperation/fiscalis\\_programme/index\\_en.htm#](http://europa.eu.int/comm/taxation_customs/taxation/tax_cooperation/fiscalis_programme/index_en.htm#)

## EU Communication Policy

The Commission has published a White Paper on a European Communication Policy. This follows the publication of the Commission Action Plan on Communication (July 2005). The aim of the White Paper is to mobilise all the relevant institutions (EU institutions and bodies, the member states, regional and local authorities, political parties and civil society).

There is a consultation process on the White Paper which will last for six months. You may contribute to this process at:

[http://europa.eu.int/comm/communication\\_white\\_paper/index.htm](http://europa.eu.int/comm/communication_white_paper/index.htm)