



# EU Supplement

This supplement covers the significant EU developments from mid-September 2012 to mid-December 2012 in the broad areas of social policy, consumer policy and citizens' rights.

There is further information about all the issues mentioned here on the website **europa.eu**. In some cases we give the extended website address. The Official Journal of the EU may be accessed at **eur-lex.europa.eu**. The Irish legislation mentioned can be accessed at **irishstatutebook.ie** or **oireachtas.ie**.

# **Employment and social policy**

#### **Parental leave**

Directive 2010/18/EU provides for an extra four weeks' parental leave for both mothers and fathers. The Directive puts the framework agreement on parental leave agreed by the social partners at European level into EU law. It replaces Directive 96/34/EC.

The Department of Justice and Equality intends to implement the Directive in a Bill which will consolidate all family leave legislation (maternity, adoptive, parental and carer's leave). The Directive was due for implementation in March 2012 but member states were allowed an extra year if there were particular difficulties. It must be implemented by 8 March 2013.

The Directive applies to all workers including fixed-term, part-time and temporary agency workers.

From 8 March 2013, parents will each be entitled to four months' parental leave in respect of a child (born to them or adopted) up to the age of eight. Member states may set the rules about how the leave is to be taken. They may also set a minimum qualification period or length of service period but this cannot be more than one year. One of the four months may not be transferred between the parents – this is in order to encourage fathers to take the leave.

The Directive also gives parents returning to work after parental leave the opportunity to ask for a change in their working conditions. Employers must consider and respond to such requests, taking into account both employers' and workers' needs.

At present, there is an entitlement to 14 weeks' parental leave in Ireland. This is not transferable between the parents except where they work for the same employer. There is no legal right to ask for a change in working conditions when returning after parental leave.

#### Youth employment package

The Commission has issued a communication on a Youth Employment Package. This proposes a range of measures which aims to combat youth unemployment. The youth unemployment rate is on average twice as high as for the total working age population in Europe. It is greater than 25% in 13 member states including Ireland. More than 30% of unemployed people aged under 25 have been unemployed for more than a year.

One proposal is for a *Youth Guarantee*. The idea behind the youth guarantee is that every young person should receive a quality offer of employment or training or further education within four months of leaving school or becoming unemployed. The Commission is proposing that such a guarantee would be supported by the European Social Fund. Web:

ec.europa.eu/social/youthemployment.

### **Consumer affairs**

#### **Equality in insurance**

The Equal Status (Amendment) Act 2012 provides for the implementation in Ireland of insurance premiums and benefits which do not differentiate on grounds of sex. EU Directive 2004/113/EC provides for equal treatment between men and women in access to goods and services. The Directive allowed for different treatment on the basis of sex in relation to motor insurance, life assurance, critical illness cover, income protection cover and private annuities and pensions where such differences were reasonable and actuarially based. The European Court of Justice ruled, in 2011, that the exemption contained in the Directive in respect of insurance premiums and benefits had to end with effect from 21 December 2012 (see EU Supplement, April 2011).

The Equal Status Act 2000, as amended by the Civil Law (Miscellaneous Provisions) Act 2008 brought the Directive into effect in Irish law. It allowed for differences in treatment between men and women in relation to life assurance and motor insurance policies. The 2012 Act removes this provision in respect of new contracts concluded as and from that date. It does not apply to such contracts concluded before that date. It clarifies that mid-term adjustments to motor insurance contracts concluded before 21 December 2012 are not considered new contacts for this purpose.

#### Consumer rights directive

Directive 2011/83/EU on consumer rights must be implemented by 13 December 2013. It is to apply from 13 June 2014. The Directive deals with consumer purchases away from the business premises, for example, over the internet. The Minister for Jobs, Enterprise and Innovation has said that he intends to implement this Directive and consolidate the existing consumer contracts legislation at the same time – this means a new consumer rights Act. He also intends to implement the articles of the Directive which deal with excessive payment charges and hidden charges (pre-ticked boxes) in advance of the rest of the Directive. His intention is to implement them in early 2013.

The Department issued a consultation paper on these articles in September 2012: **djei.ie/publications/commerce/2012/ arts19&22crd.pdf**.

The article dealing with excessive payment charges aims to prohibit businesses from charging fees to consumers that are greater than the cost to the business of the payment method used in the transaction. So, for example, if you do not agree to payment by direct debit, you may be charged the cost of the alternative payment you choose – but you may not be charged more than the cost.

Businesses may continue to offer customers a reduced price if they agree to direct debit payments.

The article dealing with hidden charges requires businesses to get the express consent of the consumer to any payment which is additional to that agreed for the goods or services that are being bought. It bans businesses from inferring the consumer's consent by means of opt-out provisions. This usually arises where there are pre-ticked boxes on websites that commit you to paying for additional goods or services unless you untick the boxes in question.

#### Late payments

Directive 2011/7/EU on combating late payment in commercial transactions must be brought into national law by 16 March 2013. The Department of Jobs, Enterprise and Innovation intends to publish a consultation paper on this before implementing it.

#### Rights of sea passengers

EU Regulation 1177/2010 has been brought into effect in Ireland by the European Union (Rights of Passengers when Travelling by Sea and Inland Waterway) Regulations 2012 (SI 394/2012). The regulation extends to sea passengers broadly the same range of rights as are available to air passengers in respect of delayed and cancelled departures and information and assistance for passengers with disabilities. It applies from 18 December 2012.

The National Transport Authority is the designated enforcement body in Ireland. Web: **nationaltransport.ie**.

#### **Building Energy Rating**

Parts of Directive 2010/31/EU on the energy performance of buildings has been brought into effect by the European Union (Energy Performance of Buildings) Regulations 2012 (SI 243/2012). This means that there are a number of new rules about building energy from 9 January 2013:

- If you commission the building of a new building, you are required to examine the feasibility of installing high efficiency alternative energy systems at design stage. This applies to new buildings for which planning permission is applied for on or after 9 January 2013.
- You must have a Building Energy Rating (BER) certificate for any new or existing building which is offered for sale or let on or after 9 January 2013. The BER must be stated in advertisements for the sale or letting of the property.
- Buildings of more than 500 square metres which are open to the public must also display a BER certificate or equivalent. From July 2015, this will also apply to buildings of more than 250 square metres.

The Sustainable Energy Authority of Ireland is responsible for the BER system. It provides advice on the implementation of the new rules and on other BER related matters. Web: **seai.ie**.

#### Health

#### Organ transplant

Directive 2010/53/EU on standards of quality and safety of human organs intended for transplantation came into effect in August 2012. It was brought into effect in Ireland by the European Union (Quality and Safety of Human Organs Intended for Transplantation) Regulations (SI 325/2012). The Irish Medicines Board is the competent authority for the authorisation of donations and transplants.

#### Animals in research

Directive 2010/63/EU on the protection of animals used for scientific purposes aims to improve the protection of animals being used for research and safety testing. The Directive comes into effect on 1 January 2013. The Irish Medicines Board is the designated competent authority responsible for the implementation of the Directive.

## **Justice and Home Affairs**

#### Rights of victims of crime

The proposed Directive on minimum standards for victims of crime has been agreed by the Council. It must be brought into national law within three years. Ireland has opted in to this Directive. In summary, it provides that victims must:

- Be treated with respect with police, prosecutors and judges trained to properly deal with them
- Get information on their rights and their case in a way they understand; this could include information on, for example, why a case is not being prosecuted
- Have victim support available in every member state
- Be able to participate in proceedings if they wish and be helped to attend the trial
- Be properly protected if they are vulnerable this applies in particular to children, victims of rape and people with disabilities
- Be protected while police investigate the crime and during court proceedings

More information is available on:

ec.europa.eu/justice/criminal/victims/index\_en.htm.

#### **Cross-border court cases**

The Council has agreed the proposed regulation dealing with the recognition and enforcement of judgments in cross-border cases. It will come into effect in two years. The regulation sets out the rules for determining which national court has jurisdiction in cross border cases and makes it easier to have judgments issued in one member state recognised and enforced in another. Web: ec.europa.eu/justice/civil/commercial/judgements/index\_en.htm.

#### **Europol Act 2012**

The Europol Act 2012 has been passed. The Act provides for the implementation of the EU Council decision establishing the European Police Office, or Europol.

Europol has actually existed since 1995 but its legal basis was complex. It was based on an EU convention. This was given legal effect in Ireland by the Europol Act 1997.

The Council decision on which it is now based makes changes to the legislation easier. This 2012 Act gives effect in Ireland to the changed EU legislation.

Europol is an agency of the EU. It aims to improve the effectiveness and co-operation of the law enforcement authorities of member states in preventing and combating organised crime, terrorism and other forms of serious crime affecting two or more member states. These serious offences include crimes such as drug trafficking, terrorism, money laundering, human trafficking, counterfeiting, arms smuggling, murder, organised robbery and kidnapping.

Among other things, the Act deals with data protection. The Europol information system stores personal information about people who are suspected or convicted of having committed a crime for which Europol has competence or where there are reasonable grounds to believe that they will commit such an offence. The data that may be collected includes information concerning a person's identity, including names, date and place of birth, address and driving licence or passport information. There is also the possibility of storing DNA data. This does not require that DNA data be collected but, if it is collected, it may be stored by Europol. This data is subject to the Data Protection Acts. People are entitled to access this data and to have it corrected if necessary.

Europol is now required to have an independent data protection officer with specific powers.

#### General

#### Fiscal stability

The Fiscal Responsibility Act 2012 provides for the implementation of the Fiscal Treaty in Irish law (see *EU Supplement*, May 2012).

The Citizens Information Board provides independent information, advice and advocacy on public and social services through citizensinformation.ie, the Citizens Information Phone Service and the network of Citizens Information Services. It is responsible for the Money Advice and Budgeting Service and provides advocacy services for people with disabilities.

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The Act puts the Irish Fiscal Advisory Council which was established in July 2011 on a statutory basis. Among other things, it will be responsible for monitoring and assessing compliance with the rules required by the Fiscal Treaty.

The Fiscal Treaty will come into force on 1 January 2013, provided that 12 euro area member states have ratified it. At the end of November 2012, nine euro area member states and four other EU member states had ratified it.

#### **European Stability Mechanism (ESM)**

The European Stability Mechanism Act 2012 has been passed. Ireland has ratified the ESM treaty, which came into force at the end of September 2012. It has been ratified by all 17 euro area member states. The ESM has a capital base of €700 billion of which €80 billion is paid in capital. Ireland's share of this paid in capital is €1.27 billion. Two-fifths of this was paid in October 2012 – just over €509m. A further two-fifths will be paid in 2013 and the final instalment in 2014.

#### **Supervision of banks**

The proposed single supervisory mechanism for banks in the euro area (see *EU Supplement*, October 2012) has been agreed by the European Council. It is expected that the system will start to come into operation during 2013.

#### Tax evasion

The Directive on administrative co-operation in the field of taxation is in effect from 1 January 2013. This provides for more co-operation and information exchange between the tax authorities in the member states. The Directive covers all taxes except those already covered by specific EU legislation, for example, VAT and excise duties. Web:

ec.europa.eu/taxation\_customs/taxation/tax\_cooperation/mutual\_assistance/direct\_tax\_directive/index\_en.htm.

#### **European Year of Citizens**

2013 has been designated as the European Year of Citizens. The concept of European citizenship was first introduced by the Treaty of Maastricht which came into effect in 1993. A budget of €1 million has been allocated for the year.

An EU-wide grouping of civil society organisations, the European Year of Citizens Alliance, **ey2013-alliance.eu/** has been set up to work with the Commission on the European Year's activities. Web: **europa.eu/citizens-2013**.

#### **European Parliament elections**

The next European Parliament elections will be held in 2014. The Commission has proposed an amendment to existing rules, set out in Directive 93/109/EC, to make it easier for EU citizens living in another member state to become candidates in the elections. The proposal has been agreed by the European Parliament and is expected to be agreed by the Council shortly. Web: ec.europa.eu/justice/citizen.

#### **European Endowment for Democracy**

The European Endowment for Democracy has been established as a result of a Declaration adopted in December 2011 by the EU institutions and the member states. Its aim is "to foster and encourage democratisation and deep and sustainable democracy in countries in political transition and in societies struggling for democratisation".

It has been formally established as a private foundation under Belgian law and, as such, is not an EU institution. Its board of governors includes representatives from all the 27 EU member states as well as representatives from the European Parliament, the European Commission and the European External Action Service. Its funding is provided by the Commission and the member states. Ireland is not currently making any funding available but is represented on the board. Web: consilium.europa.eu/uedocs/cms\_data/docs/pressdata/EN/foraff/126505.pdf.

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