

**BUDGET CONSOLIDATION**Eurogroup makes commitments for 2008 **Page 10****EU/IRAN**Solana to meet Larijani on 25 April **Page 13****INTERVIEW**MEP Françoise Grossetête (EPP-ED, France) **Page 31**

# EUROPOLITICS

| The European affairs daily |

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## Is Germany slow to pay its debts?

By Nicolas Gros-Verheyde

"We are all in favour of discussing patient mobility, but it is also high time for each country to meet the costs due for care provided to its nationals abroad. I have one particular country in mind, whose debts date back to 2001."

The issue, raised by Austrian Minister Andrea Kdolsky, came out of the blue at the informal Council of Health Ministers, held in Aachen on 20 April. Yet everyone around the table smiled, especially the delegations which, like Austria, have proof that the country currently chairing the European Union is a slow payer.

Interviewed by *Europolitics*, Germany's Federal Minister Ulla Schmidt denied any delays and said her country complied with EU regulations and was perfectly up to date.

One thing seems certain, though. Compensation for health care between member states is a sensitive, even taboo, subject that poisons relations between social security bodies, particularly since it is a recurring issue. Official statistics, moreover, are anything but public.

**JUSTICE AND HOME AFFAIRS**

## Council reaches consensus on fighting illegal immigration

By Dafydd ab Iago

Aside from immigration, ministers attending the Justice and Home Affairs Council on 20 April in Luxembourg turned to a range of other 'home affairs' issues, including the creation of Rapid Border Intervention Teams (RABIT), the Visa Information System, Europol reform and the so-called 'toolbox' – a centralised register of technical equipment. Most prominent on this second day of the Council was, though, continued discussion of the global approach on migration in view of the forthcoming set of Commission communications.

For southern Europeans at the Council, burden sharing remained an important issue. "We have been calling for complete burden sharing, not only financially," said Maltese Justice and Home Affairs Minister Tonio Borg. "Such burden sharing should also take the form of protecting persons arriving at periphery states of Europe as such states can not manage the numbers involved," said Borg. The Maltese minister was most clearly supported in his efforts by Italy and Spain.

With respect to burden sharing, the German EU Presidency stressed the importance of the so-called 'toolbox', a centralised record of all technical equipment available to the Frontex agency for external border control and surveillance. Currently, member states have pledged some 21 fixed wing aeroplanes, 27 helicopters, more than 100 vessels and other technical equipment. As for the European Patrols Network, the

Council meeting confirmed that permanent coast patrols networks will begin operation in the Mediterranean and the Atlantic in late May under Frontex coordination.

Ministers confirmed as "on schedule" both Schengen and the Visa Information System (VIS). In December 2006, the Council conceded 'SISone4all' to the new member states who had previously been faced with long delays before the second generation of Schengen Information System ('SIS II') would finally be ready. At the Council in Luxembourg, the German Presidency also confirmed the meeting of 'technical prerequisites' that will abolish controls at internal land and sea borders along new member states by late December 2007 and controls at air borders of these countries in spring 2008 (except for Cyprus). German Interior Minister Wolfgang Schäuble praised Portugal's project management for 'SISone4all' and France's supporting the central system in Strasbourg.

SIS II had been delayed due to the system's "technical complexity" (albeit with new member states suspecting some Schengen members of inventing "technical problems" to delay SIS II). "The delay in introducing SIS II has no impact on the removal of internal border controls," said Schäuble. "The functional improvements related to the introduction of SIS II, such as the possibility to store and submit fingerprints and photos, are important innovations," he added.

The German **(continued on page 6)**

Table of Contents

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# Contents N° 3292

## Top Stories

### BUDGET CONSOLIDATION

Eurogroup makes commitments for 2008 **Page 10**

### EU/IRAN

Solana to meet Larijani on 25 April **Page 13**

### INTERVIEW

MEP Françoise Grossetête (EPP-ED, France) **Page 31**

## Business & competitiveness

Telecoms: Report warns against inadequate investment ..... **4**

Research and development: EU lagging far behind USA on private research spending ..... **4**

## Financial services, banks, insurance

Financial services: A smart future for payments in the EU ..... **5**

Financial services: Commission consults on private investment ..... **5**

## Sectoral policies

Justice and Home Affairs: Council reaches consensus on fighting illegal immigration ..... **1**

Justice and Home Affairs: Ministers in favour of a procedure to protect critical infrastructure ..... **6**

Justice and Home Affairs: Civil justice and drug prevention programmes approved ..... **7**

European contract law: Ministers make modest progress on agreeing a common position ..... **7**

Aviation: Restrictions on cabin baggage size postponed for a year ..... **7**

Electricity markets: Independent study confirms Commission's findings ..... **8**

Energy: Ministers repeat talk on efficiency and renewables ..... **8**

Flexicurity: Trade unions condemn pessimistic attitude of business ..... **9**

Education: Research needs a more important role, says Presidency ..... **9**

Advanced therapies: Vote on draft regulation divides Parliament ..... **10**

## Economic & monetary affairs, taxation

Budget consolidation: Eurogroup makes commitments for 2008 ..... **10**

Taxation/VAT: For and against reverse charges: the Council's arguments ..... **11**

## Institutions

Transparency: Access to documents still inadequate, say NGOs ..... **12**

European Parliament: Payment services and advanced therapies on the agenda ..... **12**

## External relations

EU/Iran: Solana to meet Larijani on 25 April ..... **13**

EU/Latin America/Caribbean: EU reiterates its commitment to Latin America in Santo Domingo ..... **13**

EU/US: Summit to focus on regulatory barriers and climate change ... **14**

In Brief ..... **15**

New Publications ..... **16**

People ..... **16**

EU Agenda ..... **18**

## Interview

MEP Françoise Grossetête (EPP-ED, France): Advanced therapies: The Vatican interferes ..... **30**

## Open Forum

Do high excise duties on tobacco promote a 'smoke-free Europe'? ..... **31**

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Anne Eckstein (36)  
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Christophe Garsch (54)  
Nicolas Gros-Verheyde (42)  
Hélène Huby (90)  
Ruth Milligan (48)  
Célia Sampol (60)  
Isabelle Smets (34)  
Nathalie Vandystadt (45)

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**TELECOMS****Report warns against inadequate investment**

By Nathalie Vandystadt


Rambøll Management published a report on 19 April on the results of a study concluding that it is difficult to verify a direct link between regulation in the telecoms sector and investment, either in Europe or the United States. According to the study, the European Commission has focussed too closely on competition at the expense of encouraging much-needed investment. Investment in certain European countries, such as France and Germany, is particularly low compared with levels in Japan,

the United Kingdom or the United States. "It is very difficult to maintain asymmetric regulation and at the same time try to fuel the investments in the next generation networks," says the report.

The report also claims that a number of experts point to the asymmetric regulation in the EU and the diminished fixed-line revenues as the main reason for this situation.

Another point made in the report is that employment in the telecommunications sector has been declining since the dot.com crash. The US and the EU15 have experienced a loss of more than 300,000

jobs since 1999, says the report. The development of next-generation networks means that the operators require employees in specific occupational categories, it adds, citing Denmark as an example where within the next five years, 20% of the skilled technicians will retire. This will present a serious recruitment challenge for telecoms operators since "the need for investment is not only in regard to infrastructure but also in human capital". ■

 The report is available at [www.europolitics.info](http://www.europolitics.info)  
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**RESEARCH AND DEVELOPMENT****EU lagging far behind USA on private research spending**

Eurostat data

Spending on research and development by business was almost 50% higher in the USA than in the EU in 2003, according to the latest set of figures released by the European Commission.

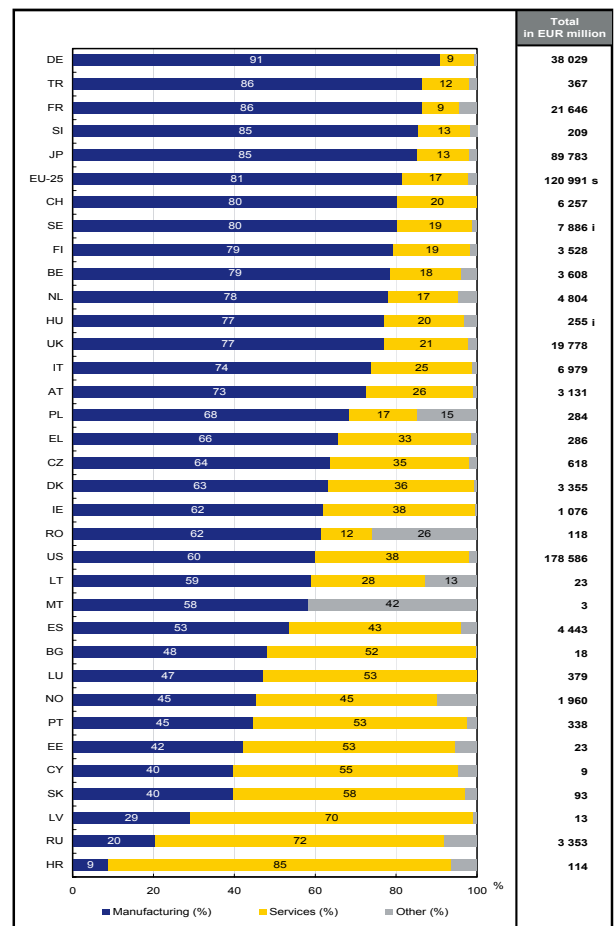
The figures indicate that spending by US enterprises on R&D totalled €178.5 billion in 2003, against €120.9 billion for the EU25 (€121.1 if figures for Bulgaria and Romania are included). Spending in Japan was €89.7 billion. Among the individual EU member states, the highest results were achieved by Germany, with €38 billion, France with €21.6 billion, and the UK with €19.7 billion.

For a majority of the countries surveyed (EU27 + Turkey, Japan, Switzerland, USA, Norway, Russia, and Croatia), a clear majority of business R&D was in the manufacturing sector. Within the EU27, Bulgaria, Luxembourg, Portugal, Estonia, Cyprus, Slovakia and Latvia were the only countries where less than 50% of business R&D went into manufacturing.

Figures have also been released showing the average annual growth rates for business R&D expenditure between 1999 and 2003. These show that, in EU countries for which data is provided (all of the EU25, with the exception of the Baltic states, Slovenia, Cyprus and Malta), only Poland recorded a decrease in expenditure. The country saw a negative growth

rate of -12% for manufacturing, and -6% (15.6%) and Finland (10.9%). ■ for services, while for every other country both these trends were positive.

Specific figures are provided for the pharmaceutical industry and for computer-related activities. In both cases, these show that spending is concentrated heavily within the United Kingdom, Germany and France. For pharmaceuticals, the three countries accounted for 69% of total business R&D in the EU25 in 2003 (30% by the UK, 20% by Germany and 19% by France). For computer activities, the figure was 59% (27% by the UK, 19% by Germany and 13% by France). Regarding R&D intensity (ie expenditure on R&D in a sector divided by that sector's contribution to the economy), the UK recorded the highest figure in the EU for pharmaceuticals, 58.1%, followed by the Netherlands (36.5%) and Denmark (32.5%). For computer activities, Denmark ranked top with 16.4%, followed by Ireland

**Business R&D expenditure in million euro and by sector<sup>(1)</sup> of activity as a percentage, EU25 and selected countries — 2003**

(1) "Other" consists of the remaining sectors not classified as "manufacturing" or "services", i.e. agriculture, hunting and forestry (A), fishing (B), mining and quarrying (C), electricity, gas and water supply (E) and construction (F). The value for "Other" is indicated only if higher than 10%.



## FINANCIAL SERVICES

**A smart future for payments in the EU**

By Ruth Milligan

The European Parliament will debate on 23 April new laws to make cashless payments across Europe simpler, quicker and easier. The proposals (New Legal Framework for Payments, COM(2005)603) had a rough ride in Council but a political agreement reached on 27 March led to an informal deal with the Parliament and signs are now good for adoption in Parliament at a first reading vote on 24 April (see *Europolitics* 3277).

The directive as it is expected to be adopted would apply to the whole of the EU and not just the eurozone. This would allow the Single European Payments Area (SEPA) scheme to go ahead to timetable, being rolled out in January 2008 and co-existing with national schemes until the end of 2010, after which it will replace them.

The European 'smart' card industry is also gearing up for a bright and revolutionary future for payments. On 19 April, its business association, Eurosmart, unveiled its 'vision paper' for 2020 to a meeting in Brussels. Chairman Jacques Seneca explained that payment cards as we know them will shortly be supplemented and indeed replaced by 'smart security devices' (SSDs) – micro devices containing personal information and the ability to perform security tasks.

These SSDs could come in all shapes and forms – in mobile phones, in key fobs or embedded into PCs and laptops. The growing need for security in internet payments

is leading to more and deeper identification methods. Requirement for 'two-factor authentication' – the use of something you know, ie a password, and something you have, eg a card – is growing and use of something you are – identification (biometrics) – will become widespread. For Seneca, SSD technology can overcome the cumbersome nature of such requirements – the device will be able to do all the checking, all the password entry for you.

The paper highlights the need for industry and legislators to work together to develop technology, establish legal and technical infrastructures and educate the public in the rewards of embracing new methods of payment and identification. The introduction of SEPA will encourage electronic payments in Europe and the new legal framework will "spell out the obligations and rights of payment institutions and of consumers and provide a framework for the development of common technical and commercial standards."

The paper also identifies a number of Commission-funded projects aimed at developing the technology itself, such as StoLPan, Store Logistics and Payment with NFC (near field communication), which will examine ways of making low-value payments for parking, travel tickets, etc via mobile phones regardless of phone type. The aim is for standard rules to be identified and set across Europe.

"By 2020," says the report, "contactless

payment systems could potentially become, if not the most dominant, certainly the most visible member of the smart security technology family".

Systems such as Visa's 'wave and pay' card, which is specially geared to small transactions, use wireless technology to send payment details from the card's chip to payment providers via a card terminal using the EMV system (standards developed by Europay, MasterCard and Visa).

Visa boasts that a transaction takes 0.5 seconds. The advantages are faster purchases, shorter queues and elimination of the costs of maintaining mechanical card-reading terminals. Most of all, says Eurosmart, such cards "contribute to the feeling of fun, ease of use and modernity."

**SHOPPING 2020-STYLE**

The paper envisions a future where shopping is done using smart technology and Saturday morning queues at the till will be relegated to history. Shopping lists will be made by reading off the radio-frequency identification (RFID) tags from things we always buy and storing them on our mobile phone. When we go to the supermarket, the 'smart trolley' reads the list from our mobile, leading us on the most direct route round the shelves to collect the products and keeping an automatic tally of everything we put in the trolley. At the end, we pay straight from our mobile to the smart trolley – no more check-out tills, no more queues. ■

## FINANCIAL SERVICES

**Commission consults on private investment**

By Ruth Milligan

On 20 April, the European Commission launched a consultation to identify barriers to private placement in the EU. 'Private placement' means the sale of securities to professional investors who are well-versed in business risks and therefore considered able to operate outside retail investor protections. Freeing up the making of such deals across borders may be more controversial than it sounds, however, as it would significantly benefit private equity companies, already the subject of much disquiet. There are currently no common EU rules on such investments.

The consultation aims to establish whether this increases costs and hinders investment and whether a common EU regime should be put in place to harmonise legal rules and exempt such transactions from the regulatory requirements of public investment products. The move stems from the UCITS (Undertakings for Collective Investment in Transferable Securities) white paper issued in November 2006 which stated, "there are no compelling investor protection reasons for national regulators to interfere in financial transactions involving professional investors who understand the risks associated with an investment". Some headway has already been made towards a

private placement regime through MiFID (the Markets in Financial Instruments Directive) and the Prospectus Directive, which remove requirements on conduct of business and selling restrictions from certain private transactions. Obstacles still remain, however, such as national rules on product approval. The Commission is already working on the issue with the Committee of European Securities Regulators and the European Securities Markets Expert Group. The public consultation will be open until 30 June 2006 and a discussion of the issues involved will form part of the Commission's open hearing on UCITS on 26 April. ■

## JHA Council

(continued from page 1)

interior minister informed his colleagues of his hopes to conclude negotiations between the Council and the European Parliament on the future Visa Information System (VIS Regulation). With a fresh Council consensus, the Presidency aims at concluding negotiations in particular with respect to the use of fingerprints during border controls and security authority access to VIS data in fighting international terrorism and organised crime. Schäuble called the VIS an “essential” tool in fighting a wide range of evils, namely, illegal migration, visa shopping, international terrorism and organised crime.

Fighting (illegal) immigration was also a central theme, pushing ministers toward reaching agreement on the creation of Rapid Border Intervention Teams. The Parliament’s Committee on Civil Liberties, Justice and Home Affairs had approved the draft regulation on 11 April. If the EP plenary now adopts it by late April, as the Presidency hopes, the Council may finalise the regulation before the end of June.

Rapid Border Intervention Teams (RABIT) will be made up of member state experts made available to Frontex at ‘short notice’. They can be called upon by any member state with borders under particular threat from illegal migration. The RABIT created by the regulation will be composed of some 450 officers from member states. The draft regulation should also see Frontex guest officers receiving ‘executive powers’. Schäuble pointed to the “positive experience” of German federal police after granting executive powers to guest officers during the FIFA World Cup in 2006.

Briefing ministers on the global approach to migration, Justice Commissioner Franco Frattini talked of political consensus enabling presentation of the Commission’s communications in May (with a green paper on asylum policy in June). The consensus, Frattini explained, will also enable broadening of the global approach to include an eastern and south-eastern dimension. “The time has come to deal with migration from the east,” said Frattini. “This includes illegal migration flows through the Black Sea region and Asia.” Aside from Europol and Frontex

operations, Frattini expects results thanks to support from new members Bulgaria and Romania.

The commissioner will also put forward a proposal addressing the issue of illegal employment – a key pull factor for the EU’s 7-8 million illegal migrants. The commissioner is calling for harmonised sanctions for employers, of both legal and administrative nature, and of dissuading up to one million new illegal immigrants. “Pending adoption and transposition of EU-wide measures, member states should already now step up enforcement of existing national measures,” argued Frattini.

### EUROPOL

Three new Europol protocols will see the organisation receive greater powers and competence for all crimes related to money laundering. Europol will also be able to take part in joint investigation teams. A final protocol will enable improved Europol management of information and the possibility of allowing third countries access to Europol analyses. The Commission will now make a proposal for a Council decision replacing the Europol Convention. ■

## JUSTICE AND HOME AFFAIRS

# Ministers in favour of a procedure to protect critical infrastructure

By Eric Van Puyvelde

The member states welcome the efforts of the Commission to develop a European procedure for the identification and designation of European critical infrastructure and the assessment of the need to improve its protection. The EU Justice and Home Affairs Council, on 19 April, adopted a conclusion on the communication and the proposal for a directive presented by the Commission (see *Europolitics* 3209). The Council considers in particular that such a procedure, established with due regard for the competences of the member states and of the Community, could be of added value.

Owners-operators of European critical infrastructure, including the private sector, must be actively involved, the Council said. Such measures could be security plans and security liaison officers.

The Council stresses that the greatest possible use should be made of recommendations, information sharing and exchange of best practice at EU level in

order to promote voluntary protection measures by the owners-operators of critical infrastructures. It says it will examine further measures with a view to ensuring security standards and comparable competition conditions in the EU.

Supporting the setting up on an action plan for the implementation of a Programme for Critical Infrastructure Protection, the conclusions add that cooperation between the Commission and the member

states “should be transparent, especially during the preparatory phase”. The Council also states that cooperation at EU level between the member states’ points of contact for critical infrastructure protection (CIP), as endorsed by the Council conclusions of 1-2 December 2005, has proven to be useful. This cooperation should be strengthened by creating a CIP Contact Group in order to facilitate the coordination. ■

### Background

The Commission approved on 12 December a communication on the European Programme for Critical Infrastructure Protection (EPCIP) and a proposal for a directive designating European critical infrastructure. Major points include: 1. a proposal for a directive identifying and designating European critical infrastructure (ECI) and a common approach to assessing ECI protection improvements; 2. implementation

facilitation measures for EPCIP with an action plan, Critical Infrastructure Warning Information Network (CIWIN), EU-level expert groups, information sharing, identification and analysis of interdependency; 3. support for national critical infrastructures (NCI); 4. financial measures including the 2007-2013 programme Prevention, Preparedness and Consequence Management of Terrorism and other Security Related Risks with a budget of 138 million euro.

## JUSTICE AND HOME AFFAIRS

**Civil justice and drug prevention programmes approved**

By Eric Van Puyvelde

Political agreement was reached on the EU Civil Justice and Drugs Prevention and Information programmes for the period 2007-2013 during the Justice and Home Affairs Council in Luxembourg on 19 April.

In both cases, the common position will be formalised during the next session before being transferred to the European Parliament for second reading (co-decision procedure). Both programmes form part of the general programme Fundamental Rights and Justice.

The Civil Justice programme was originally proposed by the European Commission in 2005 and approved on first reading by the European Parliament on 12 December 2006.

With a budget of €100.85 million, the programme is aimed at improving mutual understanding of the legal and judicial systems of member states, lowering the barriers to judicial cooperation in civil matters and allowing individuals and enterprises to claim their rights within the EU.

It notably seeks to facilitate access to justice, encourage information

exchange and set up networks between legal authorities, particularly to improve legal training.

The programme on Drugs Prevention and Information aims to significantly reduce the social harm and health damage caused by the use of, and trade in, illicit drugs.

The general objectives of this programme are: to prevent and reduce drug use, dependence and drug-related harms; to contribute to the improvement of information on the effects of drug use; and to support the implementation of the EU Drugs Strategy. ■

## EUROPEAN CONTRACT LAW

**Ministers make modest progress on agreeing a common position**

By Dafydd ab Iago

The Council made only modest progress with respect to defining a position on a future common frame of reference (CFR) for European contract law with the Committee on Civil Law Matters now to examine a German EU Presidency document. The original European Commission Communication on EU contract law, from July 2001, started a process of consultation on problems arising from divergent national contract laws in the EU. Since 2001, member states have failed, though, to reach final agreement on harmonising divergent contract laws despite

the higher costs engendered for consumers and customers.

Delegations at the Council on 19 April called for further reflection, especially on the need for non-sector specific measures, including an optional instrument in the area of EU contract law. The Commission was called upon to pursue this 'reflection', albeit in 'close collaboration' with member states so as to take account of the principle of contractual freedom.

Also deemed "useful" by delegations was the elaboration of EU-wide general contract terms. Such general terms should, however, be developed by the

contractual parties themselves respecting both Community law and national provisions, including the provisions regarding the protection and information of consumers. With respect to consumers, the Commission recently launched a further public consultation, on 8 February and open until 15 May, aimed at modernising and improving consumer contract law.

The German Presidency is still hoping to produce a Council position on the CFR by the end of 2007 under the Portuguese Presidency. The Commission, too, is soon to present a second progress report on European contract law and the *acquis* review. ■

## AVIATION

**Restrictions on cabin baggage size postponed for a year**

By Isabelle Smets

The European Commission has decided to postpone for one year the entry into force of new provisions on maximum cabin baggage size in aircraft. They will apply starting in May 2008 instead of May of this year, as initially planned. The rules – which limit to 56 cm x 45 cm x 25 cm the size of cabin baggage passengers can take on board aircraft (with certain exceptions possible for items like musical instruments, photographic equipment, etc) – were adopted in October 2006 in the wake of

the attempted terrorist attacks prevented last summer in the United Kingdom.

The Commission's decision takes the form of a regulation adopted on 20 April, modifying Regulation 1546/2006 (whose revision clause guarantees that its content must be reviewed every six months).

The same regulation also bans liquids in passengers' cabin bags. The Commission explained that its decision is justified by the need for more time "to reassess the advantages and disadvantages" the rules entail and in response to arguments by airports and airlines. In prac-

tice, the maximum size rule is already being applied to a large extent, though on a voluntary basis, since it corresponds to IATA (International Air Transport Association) recommendations.

The baggage size restrictions aim to facilitate the detection of prohibited items by X-ray screening equipment.

The Commission has asked the European Civil Aviation Conference (ECAC) to assess the advantages of such provisions and is awaiting its report in December 2007.

It will take a decision on further action after that time. ■

**ELECTRICITY MARKETS****Independent study confirms Commission's findings***By Anne Fekete*

Fuel costs have contributed to the increase of EU electricity prices since 2003, and wholesale electricity prices are significantly higher than would be expected on perfectly competitive markets. The European Commission's conclusions, after completing its sectoral enquiry, have been confirmed by a detailed study carried out by an external consultant (London Economics), whose results were published on 20 April.

The study carried out a detailed analysis of the wholesale electricity markets of six member states – Belgium, Germany, Spain, France, the Netherlands and Great Britain (the United Kingdom excluding Northern Ireland) – for the period 2003 to 2005.

The first part of the study looks at how many operators are effectively competing on the market on an hourly basis, looking both at available installed capacity and effective generation. In addition to standard economic analyses such as concentration ratios and HHI indexes, the report includes other measurements more specific to the electricity sector, such as the Pivotal Supplier Index and the Residual Supplier Index, which measure how far a particular generator is needed to supply the demand. The results for these indices are given for all large generators on each market.

The study confirms the findings of the sectoral enquiry that most markets are concentrated whatever the measurement adopted.

The second part of the study reports on the difference between what the price of the market was in the period and what it would have been if the markets in Germany, Spain, the Netherlands and the United Kingdom had been perfectly competitive. This difference, referred to in the study as the "mark-up," was calculated by simulating a perfectly competitive market for each hour of the period using dedicated state-of-the-art computer software that is commonly used by operators to choose the most cost-effective production assets in their own portfolio.

The model takes into account existing imports and exports, as well as the complex technical constraints that exist on plants, including actual outages reported during the period investigated. The study also confirmed that the price of the simulated competitive market would allow the generators in these four countries to cover their fixed costs.

No conclusions are drawn for France and Belgium as there are problems with the underlying data, such as the lack of information about the amortisation of French nuclear plants, and the absence of a reliable market price for Belgium.


This second part of the study also

examines the impact of fuel prices, with the largest price rises being in the Netherlands and Great Britain, essentially due to the large fleet of gas-fired plants in those markets. By contrast, the impact of fuel price rises was less material in Germany and Spain, ie countries characterised by higher mark-ups.

The third part of the study looks at the relationship between the number of operators competing at a given time and the "mark-ups". It does this by submitting the results of the two first parts to a detailed regression analysis on an hourly basis.

This analysis shows that there is a statistically relevant correlation between the numbers of generators who have spare capacity and the mark-ups in each hour: in other words, the more needed generators are, the higher the mark-ups in the market become.

The analysis was corrected for some other possible causes of higher mark-ups such as the lack of electricity generating capacity of the whole market and peak and seasonal variations in demand, but the correlation between mark-ups and indispensability of certain operators was confirmed. ■

 Further information on the sectoral enquiry and the report can be found at [ec.europa.eu/comm/competition/sectors/energy/inquiry/index.html#final](http://ec.europa.eu/comm/competition/sectors/energy/inquiry/index.html#final)

**ENERGY****Ministers repeat talk on efficiency and renewables***By Dafydd ab Iago*

A ministerial conference organised by the German EU Presidency in Berlin examined renewable energy and energy efficiency on 19 and 20 April. The two-day conference brought up a range of strategic issues involved in the promotion of energy efficiency and energy conservation as well as efficiency issues in the electricity, buildings and transport sectors.

Opening the conference, German Transport, Building and Urban Affairs Minister Wolfgang Tiefensee boasted of Germany's good record in meeting requirements set by

the EC Energy Performance of Buildings Directive. German officials calculate that buildings account for around 20% of CO<sub>2</sub> emissions in Germany. "The best energy is that which is saved," said Tiefensee. His colleague, Economy Minister Michael Glos, argued that Germany has made energy efficiency one of the priorities of its EU and G8 Presidencies. At the upcoming G8 summit in Heiligendamm in June, the Germans thus promise further discussion on tackling climate change and improving energy efficiency. Prominent amongst the high-level participants were numerous environment and energy ministers from Eastern Europe,

North Africa and the Southern Caucasus. They were keen to discuss financing instruments for renewable energies and energy efficiency. By 2013, the German Presidency noted, the EU will provide some €11.2 billion via the European Neighbourhood and Partnership Instrument, including for the energy sector. "Our task is now to join together with our European neighbours to actually move towards targets," said German Environment Minister Sigmar Gabriel, referring to the binding target of a 20% share of renewables and a 20% increase in energy efficiency set by the EU Climate and Energy Action Plan. ■



## FLEXICURITY

**Trade unions condemn pessimistic attitude of business**

By Nicolas Gros-Verheyde

The European Confederation of Trade Unions (ETUC) was hoping, during a conference on 'flexicurity' organised by the Commission in Brussels on 20 April, to criticise the atmosphere in which the debate on the issue is being held.

Businesses seem 'to have turned the debate around by confirming that the EU's economy is characterised by excessive regulation and a lack of dynamism,' when in fact "facts show just the opposite," said John Monks, secretary-general of ETUC.

"European labour markets already offer the necessary flexibility to adapt to change and business is enjoying historically high profits."


"Strong employment creation is not at odds with robust job protection systems and high levels of trade union organisation," he added, backing his words with a memorandum published by the organisation.

The ETUC feels that the priority given to flexicurity will primarily be to the detriment of many vulnerable workers, by limiting working conditions and reducing job security, and bringing long

working hours, pseudo freelance workers, short-term and part time contracts.

"We are told that no-one can expect a job for life these days," added John Monks.

"Really? What about doctors, teachers and all the other jobs requiring long apprenticeships? If it becomes public policy to turn employment relations into promiscuous relations, don't be astonished if there is resistance." ■

 The memorandum is available at [www.europolitics.info](http://www.europolitics.info) => subscribers => advanced search => reference = 77801

## EDUCATION


**Research needs a more important role, says Presidency**

By Jim Brunsten

Education ministers are to discuss how to make better use of research in the development of policy-making, at their next Council meeting in May. According to a discussion paper released by the German EU Presidency, it is planned that ministers will hold an exchange of views based around specific questions. These ask what should be done by member states to increase the amount of "relevant and useful" education research available, and also to reinforce its use both by policy-makers and educational professionals. It

goes on to ask how such action could be supported at European level. The paper sets out key challenges, as identified by the OECD, for improving the current state of affairs. It notes that education research currently has a more limited impact on policy-making than research in other areas, such as social care or employment policy. The explanation for this, it claims, lies in relatively low levels of research funding, leading in turn to doubts about its quality. Another problem is that, in most member states, research results are often difficult to access and to comprehend. Also, educational professionals do not get enough

opportunities to share their knowledge with researchers. It is intended that the Council discussion will provide input to a European Commission communication on evidence-based policy-making, currently due to be published in July 2007. The communication will include an action plan of specific initiatives to be taken at both EU and national level. The discussion will take place at the Education, Youth and Culture Council on 24-25 May. ■

 The issues paper is available at [www.europolitics.info](http://www.europolitics.info) => subscribers => advanced search => reference = 77896

## The basic facts about The European Emission Trading Scheme

by  
Hughes Belin and Marie-Martine Buckens



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**ADVANCED THERAPIES****Vote on draft regulation divides Parliament**By **Nathalie Vandystadt**

The first-reading vote, on 25 April in the European Parliament, on the draft regulation introducing a single regulatory framework and centralised authorisation procedure for advanced therapies continues to create controversy. There is a clear divide between, on the one hand, MEPs defending the implementation of a European control of the quality and safety of these medicines resulting from gene and cell therapy and tissue engineering, and on the other, those who, for ethical reasons, purely and simply want to ban any centralised authorisation for advanced therapies derived from embryonic stem cells.

“When a patient’s health is at stake, any form of discrimination is unacceptable. The creation of a European technical framework that patients and the industry have been awaiting for years must not be taken hostage to impose any ideological point of view,” observed French MEP

Françoise Grossetête, whose group is very divided (see Interview on page 31). Together with Dagmar Roth-Behrendt (PES, Germany), Adamos Adamou (EUL, Cyprus) and Frédérique Ries (ALDE, Belgium), she is calling for the rejection of the ethical amendments tabled by the Legal Affairs Committee to the report by Miroslav Mikolášik (EPP-ED, Slovakia) and not subject to a vote by the Health and Environment Committee.

Françoise Grossetête supports the 75 amendments tabled by the same MEPs in the hope of obtaining a vote in support of the relaunch of negotiations with the Council and the Commission, halted by the draftsman due to ethical issues.

Miroslav Mikolášik has, meanwhile, tabled another amendment seeking to reject any use of the regulation in the application of “present and future” national legislation banning or restricting the use of human or animal embryonic stem cells.

Another group, led by Giuseppe Gar-

gani (EPP-ED, Italy), has filed some dozen amendments aimed at banning the marketing of the human body and its parts and products derived from embryonic stem cells.

The EP may well have more surprises in store, however. In the face of challenges to his report, Mikolášik is now threatening to demand that it be referred back to the ENVI Committee. Under Article 168 of the EP’s Rules of Procedure, doing so would require the support of a political group or of at least 40 members at the time the agenda is set or prior to the start of debate (the Liberals are particularly divided).

The MEP even spoke at a press conference given by Frédérique Ries, to which patients suffering from rare diseases – and thus closely concerned by early adoption of the regulation – were invited, on 19 April. Mentioning his capacity as a scientist and doctor, he said that “in some countries, it is considered a criminal act to destroy embryos”. ■

**BUDGET CONSOLIDATION****Eurogroup makes commitments for 2008**By **Christophe Garach in Berlin**

Joaquin Almunia’s entourage is not yet proclaiming victory but is nonetheless optimistic. On 20 April, at the end of the Eurogroup meeting organised in Berlin, its President, Jean-Claude Juncker, explained to the press that the finance ministers had made a solemn commitment «not to repeat the mistakes of the past» in 2008 in terms of budget policy.

Judging from the way things were presented, one can detect two major advances which will have a significant impact on the history of the single currency: 1. For the first time, member states which have adopted the euro have sat down and discussed their next guidelines (for 2008) before governments and their respective national parliaments have started debating the subject, adding another brick to the foundations of budget coordination which is sadly lacking in the eurozone. 2. Quite exceptionally, and as a sign that the president of the Eurogroup wanted to


impress his audience, the debates between the Thirteen, which were held behind closed doors, resulted in a public document being produced. This is even more exceptional because Eurogroup is an informal body and the meeting was held in the margins of an informal Council of Ecofin Ministers.

In terms of content, a European diplomat nevertheless conceded that «nothing new was said». Ministers in fact reconfirmed their commitment to the revised Stability and Growth Pact (any different would have been a surprise). They are also taking advantage of the positive economic outlook to use the better than expected tax returns to consolidate their respective budgets. Ministers also renewed their promises to avoid pro-cyclical policies and to use any surplus fiscal revenue to reduce their respective deficits and debts.

In more detail, member states formally committed to pursuing “more ambitious budgetary targets than those set out in the 2006 stability programmes”. In 2007, the

thirteen agreed to implement the budget as planned and in 2008, to “design fiscal policy plans to accelerate adjustment towards their medium-term objectives,” which we recall is intended to allow member states to reach a well-balanced budget or even a slight surplus by 2010.

The interesting thing, explained one expert, is that Germany, which for a long time has been dragging its feet, as a way of giving an example, is now ready to play the game from 2008 despite the in-fighting in the coalition government. At the moment, the German minister of finance has merely mentioned that Germany is expected to have a balanced budget in 2010 (although after 2008, the public deficit could go up from 1.7% to 0.6% in minimal terms). This staunch effort by the Germans may encourage other member states (France, Italy and Portugal notably) to follow suit next year. ■

 The document is available at [www.europolitics.info](http://www.europolitics.info) => subscribers => advanced search => reference = 77927

## TAXATION/VAT

**For and against reverse charges: the Council's arguments**By **Christophe Garach**

Ecofin ministers, meeting to debate the reverse charge mechanism on 21 April as a way of combatting VAT tax fraud (see *Europolitics* 3288) during an informal meeting in Berlin, had in their possession a Council document drawn up by tax experts from member states listing the advantages and disadvantages of this procedure. *Europolitics* managed to get hold of a copy of the Council document, which is really not in favour of the system.

**ARGUMENTS AGAINST**

1. Introducing the reverse charge system on an optional basis will erode the VAT legislation in force and lead to inconsistency. The differing systems will cause difficulties for foreign businesses which conduct transactions in a member state that has exercised the option of introducing the general reverse charge procedure.

2. The reverse charge procedure deviates from a central pillar of the VAT system – fractionated payment. The fractionated payment system ensures that every taxable person in the delivery chain pays a portion of the total VAT levied on the delivery. Giving up the fractionated payment system also means abandoning self-regulation of VAT.

3. Shifting the entire VAT collection process to the end-stage will concentrate the risk at that end and make more checks

necessary at that stage, particularly on all retailers. This will also have consequences for small businesses due to an excessive amount of red tape.

4. The supplier will have to register every single reverse charge transaction electronically.

5. The proposed reporting obligations are not likely to prevent untaxed goods from reaching the black market in other member states since their correct application cannot be guaranteed. As VAT payment will not occur in transactions between businesses, the proportionality principle will prevent member states from establishing sufficiently deterrent penalties against businesses which fail to declare operations carried out under the reverse charge system.

6. Compared to the fractionated payment system, the general reverse charge system, which is equivalent to a sales tax, weakens EC cohesion.

7. The reverse charge procedure entails the risk that businesses will transfer their economic activities to member states which apply the general reverse charge procedure since the system offers economic advantages.

8. The so-called 'de minimis' limit will result in pressure being placed on clients to buy goods priced above €5,000 (proposed by the Commission) so that the supplier will not need to pay the turnover tax up front. The reverse charge is therefore

not neutral, it has an influence on economic decisions.

9. Introducing the reverse charge system would mean that two generally applicable taxation systems (reverse charge and the existing system) will exist in parallel and could create problems.

**ARGUMENTS FOR**

1. Many member states have very tight rules on the right to deduct input tax, so the alleged risk of tax fraud being transferred to those member states does not exist owing to the measures taken to combat input tax fraud in the member states in question.

2. As the workings of the reverse charge mechanism preclude any further input tax fraud, costly checks to verify the input tax amounts claimed (eg sequential checks) by the authorities are no longer necessary. This means that resources can be targeted on the remaining checks (checks on transactions below €5,000 and on tax compliance in the reverse-charge procedure).

3. The reverse charge procedure is significantly less burdensome for the economy than other measures to prevent input tax fraud or input tax shortfalls (eg deferment of payment of input tax arrears or failure to correct in cases of insolvency). It protects the liquidity of businesses, improves their cash flow situation and thus offers benefits for international trade. ■



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**TRANSPARENCY****Access to documents still inadequate, say NGOs**

By Célia Sampol

Four organisations have chosen to club together to make recommendations to the European Commission as part of the green paper consultation on the access to EU institutions' documents<sup>1</sup>, adopted on 18 April. The aim of the green paper is ultimately to revise the existing Regulation 1049/2001, which is considered to be obsolete (see *Europolitics* 3290).

ECAS (European Citizen Action Service), Statewatch, the International Federation of Journalists (IFJ) and the European Environmental Bureau have welcomed the public consultation because it gives them the opportunity to voice their concerns about access to documents. The Commission is still the worst of the three institutions affected by the law (the Council and Parliament being the other two), says the Editor of Statewatch, Tony Bunyan, noting that it had twice infringed the regulation. Firstly, the record of its documents is not complete and "only includes legislative texts and adopted resolutions. It does

not include the vast majority of documents either produced or received by the Commission," he noted during a meeting organised by ECAS in Brussels on 19 April. Furthermore, the Commission, in 2006, did not publish an annual report on legislation despite the fact that it is specifically requested in the regulation. As for the Council, it is slightly better because it recently increased access to its documents significantly (between 70% and 75% are available). But "the problem lies with the 30% which have not been made public," explained Bunyan. The Council has also imposed a veto on documents on transatlantic relations.

Renate Schroeder, speaking on behalf of the European Federation of Journalists (a part of the IFJ), has a different take. According to her, the regulation really needs to be improved for journalists. And yet, the Commission's green paper only mentions it once. Schroeder listed the important points which require changing. She notes, for example, that access to information should be extended to countries in the European Economic

Area as well as candidate countries and that it should apply to all European institutions (as foreseen in the Constitutional Treaty). In addition, staff officials who refuse to provide documents under false pretences should be fined. Ralph Hallo from the European Environmental Bureau said that the suggestion in the green paper that the rules governing the access to environmental documents be brought in line with the more general rules governing the access to documents is a good one and should be encouraged. He also feels that the Aarhus Convention, signed by the institutions in 1998, should be fully transposed into EU law, since it contains more limited exceptions to the right to access to documents than Regulation 1049/2001. He also suggested that the lists of documents be extended to include those resulting from the comitology procedure because "to get hold of this kind of information, good luck" is needed. ■



(1) [ec.europa.eu/transparency/revision/index\\_en.htm](http://ec.europa.eu/transparency/revision/index_en.htm)

**EUROPEAN PARLIAMENT****Payment services and advanced therapies on the agenda**

By Célia Sampol

At the plenary session running from 23 to 26 April in Strasbourg, MEPs will vote at first reading on payment services, advanced therapies and safety at sea and will debate and vote on the discharge of the EU budget for 2005. They will also debate transatlantic relations.

The session on 23 April will open with two key debates. The first is on the report by Jean-Paul Gauzès (EPP-ED, France) on payment services in the internal market.

The document concerns a draft directive introducing a legal framework for payment services in the EU. Specifically, the aim is to simplify and reduce the cost of credit card transactions, bank transfers and direct debits by putting in place a Single Payment Area throughout the European Union (see separate article).

The Council has agreed on a text close to the EP committee's proposals and the

measure is expected to be passed at first reading.

The second and far more controversial debate concerns the report by Miroslav Mikolášik (EPP-ED, Slovakia) on advanced therapies and medicinal products (see separate articles). Parliament will be taking a stand on a draft EU regulation designed to foster gene therapy, cell therapy and tissue engineering.

Many amendments have been tabled by the groups and the ethical amendments remain problematical for an agreement with the Council.

While they support the Commission's proposal, MEPs are calling for guarantees regarding the products and techniques used, as well as extra support for smaller companies working in this field.

**PREPARING THE EU-US SUMMIT**

The morning of 24 April will be devoted to a debate on the budget discharge for the EU institutions and agencies for 2005. The plenary is expected

to endorse the recommendations of the Committee on Budgetary Control. Members are nevertheless pushing for the idea of 'national declarations'.

The afternoon will see debates on five texts forming part of the Third Maritime Safety Package. They concern the EU traffic monitoring system, accident investigations, liability of passenger transport companies, port state control and certification of control bodies. The EP will be voting at first reading.

On 25 April, the main debate will be on transatlantic relations, with the participation of the Commission and Council and ahead of the EU-United States Summit on 30 April in Washington.

A number of aspects will be addressed (economy, data protection, counter-terrorism). The same day, Parliament will debate a report on Croatia's progress in meeting accession requirements.

Finally, at noon, Abdul Kalam, president of India since 2002, will address MEPs in a formal sitting. ■



## EU/IRAN

**Solana to meet Larijani on 25 April**

By Sébastien Falletti

Javier Solana, the EU's chief negotiator, and his Iranian counterpart, Ali Larijani, are scheduled to meet on 25 April in an attempt to put an end to the mounting tension between Tehran and the international community on the nuclear dossier.

Announced on Iranian television on 19 April, the meeting between the two men was confirmed the following day by Solana's spokesperson.

The aim is to reiterate the willingness of the EU and the members of the United Nations Security Council to find a diplomatic solution to the conflict, following the new sanctions that were agreed on in New York on 24 March.

These will be discussions about a negotiating framework, claimed an EU source, and not negotiations as reported by the AFP wire service, explained Solana's office.

Consultations with Tehran are being held about this meeting, which forms

part of the mission given to Solana by the foreign affairs ministers of the 'Six' (Germany, France, the United Kingdom, the United States, Russia and China) on 24 March, when Resolution 1747 was adopted unanimously.

In a joint press release, they called on the EU's head of diplomacy to renew dialogue with the Islamic Republic by reminding him that the offer of cooperation presented in June 2006 still stands on condition that Iran suspends its uranium enrichment activities. On 26 March, Javier Solana held a telephone conversation with Ali Larijani. But since that time, the Iranian President, Mahmoud Ahmadinejad, has shown increasing defiance for the international community by announcing that his country's uranium enrichment activities had moved on to the industrial stage.

Faced with Iran's continued defiance, the EU is maintaining its double track of remaining firm and open. On 19 April, in the Justice and Home Affairs Coun-

cil, EU ministers adopted measures to impose sanctions on Iran, voted by the UN in December 2006 under Resolution 1737, without debate.

These measures include freezing the financial assets and refusing visas to certain individuals involved in Iran's nuclear programme, as well as a ban on selling, providing and exporting a series of technologically sensitive goods, either directly or indirectly, to Iran. Resolution 1747 puts added pressure on Iran, notably by banning Iranian arms exports, discouraging international loans and adding 28 names to the list of persons banned from travelling.

In addition, under direct pressure from the US authorities, increasing numbers of European businesses are reducing their projects in Iran. Europeans and Americans feel that these pressures have opened a new debate in Iran and Solana's mission is aimed at shifting the balance into a favourable climate for negotiations. ■

## EU/LATIN AMERICA/CARIBBEAN

**EU reiterates its commitment to Latin America in Santo Domingo**

By Sébastien Falletti

The EU reiterated its political commitment to Latin America with its presentation on its stepped-up financial support at the meeting with foreign ministers from the region, on 19 and 20 April, in Santo Domingo (Dominican Republic). External Relations Commissioner Benita Ferrero-Waldner presented a package of over €2.6 billion for 2007-2013 to the Latin American countries, at successive ministerial meetings with the Andean Community, Central America, Mexico and Mercosur. Regional and global issues dominated the meeting between the ministers of the Rio Group, a forum of Latin American and Caribbean countries, and the EU Troika composed, along with the commissioner, of German Foreign Minister Frank-Walter Steinmeier, for the EU Presidency, and Javier Solana, the EU's chief diplomat.

Discussions focused on Haiti, energy, the environment and climate change, strengthening of multilateralism (partic-

ularly in the fields of human rights and drugs) and the fight against poverty. The Union highlighted its long term com-

*"The new aid programmes reflect the weight of our commitment to the region. We are determined to keep moving forward!"*

mitment to the region. "I believe that it is fair to say that the European Union and Latin America have made significant progress in the last few years. The successful Vienna Summit in 2006, the perspectives of negotiations for association agreements with Central America and the Andean Community, and the establishment of the EU-Latin America Parliamentary Assembly are just a few elements that support my belief," commented Benita Ferrero-Waldner.

She added that the Union wishes to pick up the pace in the coming years. "The new aid programmes reflect the weight of our commitment to the region. We are determined to keep moving forward!"

The commissioner outlined the priorities of the EU strategy for the region to 2013. The top priority of EU aid programmes is social cohesion, in particular the fight against poverty, social inequality and exclusion. This is followed by regional integration and economic cooperation. The Union is counting on the negotiation of an association agreement with Central America and the Andean Community with the aim of setting up free trade areas. The Commission's negotiating briefs are about to be finalised. Other priorities include mutual understanding between the EU and Latin America, support for good governance and human rights, and sustainable development, including forest protection and biodiversity. ■

**EU/US****Summit to focus on regulatory barriers and climate change**

By Brian Beary in Washington

A new body tasked with getting rid of red tape that hinders transatlantic trade should get the green light at the EU-US summit on 30 April. The EU will also use the summit to try to persuade US President George Bush to commit to talks for an international agreement on climate change for the post-2012 period – one that includes binding cuts in greenhouse gas emissions. Pressure will be exerted by Brussels to speed up the process of adding the remaining 12 EU member states currently not on the US visa waiver programme to it. Other issues that could come up are how to break the deadlock in the Doha Round of world trade talks and what policy to adopt towards Iran given the current controversy about its nuclear programme.

**MERKEL PLAN BEARING FRUIT?**

The regulatory barriers body will be directed by two individuals on each side of the Atlantic – most likely the US Commerce Department and the European Commission's Directorate General for Trade, diplomatic sources say. The body will be made up of both government officials and non-governmental actors. It will aim to make technical regulations in areas like car safety and testing of pharmaceuticals "more harmonious" without actually having to harmonise them, the source said, thereby saving businesses time and money. This would essentially represent the fruits of the initiative launched

several months ago by German Chancellor and EU Council President Angela Merkel aimed at improving EU-US relations. While the initiative was widely labelled at the time as a free trade agreement, in fact it seems its focus will be on regulatory, rather than tariff-related, barriers. Total transatlantic trade is estimated to be worth \$3 trillion a year.

**CLIMATE CHANGE TENSIONS**

Emboldened by the March European Council, when EU leaders backed an ambitious policy plan for tackling climate change, the Commission and the EU Presidency look likely to adopt a more confrontational stance with the Bush administration. "The US and the EU has got to lead the world by example," said one European diplomat, in reference to the US administration's oft-stated credo that it will only agree to binding cuts in greenhouse gas emissions if China and India do the same. Transatlantic tensions are starting to bubble up, largely because of the US's non-committal approach in the international arena where talks for a post-2012 treaty to succeed Kyoto are due to be launched by the end of 2007. While President Bush has been softening his rhetoric on climate change recently, the feeling in EU quarters is that in substance he has not budged.

In the US Congress, by contrast, which the Democrats took control of in the November 2006 elections, Speaker of the House of Representatives Nancy Pelosi has vowed to push

through legislation on climate change. But Congress has little say on foreign policy.

While the definitive summit agenda is not yet released, one EU source expected the EU would raise the visa waiver programme. "We would like to see the US dealing with the EU as a whole rather than with individual countries," the source said. Legislation to enable the EU12 to be added to the programme is pending before Congress but the EU has concerns about it because it would use visa overstay rates as the determining criterion for deciding whether to add a country. This could delay entry into the programme for years, they fear, because the US has no comprehensive system in place yet for establishing when someone has overstayed. Washington is also linking the granting of visa waiver status to a country's willingness to share personal data, such as air passenger name records (PNR) with US authorities. The draft EU-US agreement on PNR currently being negotiated is not expected to feature formally on the agenda.

**OTHER ISSUES**

On Doha, there is frustration that while the atmospherics between the EU and US have improved in recent months there has not been enough progress on substance. On Iran, the question of economic sanctions may be broached, including US proposals to limit both future and existing investment in the country – something the EU is not presently advocating. ■

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# In Brief

## EUROCHAMBRES WELCOMES MANDELSON'S STRATEGY

Eurochambres, the Association of European Chambers of Commerce and Industry, has welcomed the new market access strategy proposed by European Commissioner for Trade Peter Mandelson on 18 April. The cornerstone of this strategy – the creation of partnerships between Commission delegations, member states' embassies and business organisations in local non-EU markets – fully responds to businesses' expectations, said Eurochambres in a press statement. "We have long called upon the Commission to develop a more pro-active trade policy which promotes the interests of European companies abroad; the new market access strategy is a step in that direction. European companies are very worried by the increase of non-transparent and discriminatory tariff and non-tariff barriers in key third countries' markets. They expect 'Europe' to take positive and concrete measures to overcome these barriers," said Amaldo Abruzzini, secretary-general of Eurochambres. (SFA)

## INSUFFICIENT MULTILINGUALISM IN ROMANIA

One-quarter of Romanian companies lost business because of poor language skills and 88% of companies think that they will need to acquire additional expertise in languages in the next three years, shows a recently elaborated report upon request from the European Commission. Therefore, more efforts are needed, including encouraging lifelong learning and the links between business and education. This was the main message of Commissioner Leonard Orban at the Special Business Mixer of AmCham in Bucharest on 19 April. "One piece of the jigsaw that is missing is closer links between education and business," said Orban. The CILT (UK National Centre for Languages) report is available at [ec.europa.eu/education/policies/lang/doc/elan\\_final\\_report\\_en.pdf](http://ec.europa.eu/education/policies/lang/doc/elan_final_report_en.pdf) (EVP)

## EU RATIFIES VISA AND READMISSION DEAL WITH RUSSIA

The Justice and Home Affairs Council approved on 19 April the conclusion of visa facilitation and readmission agreements with Russia. The agreements were ratified last month by Russian President Vladimir Putin (see *Europolitics* 3266) and are due to come into force on 1 June 2007. "These agreements shall facilitate travelling for many EU and Russian citizens and will help us to tackle more effectively illegal migration," said Commissioner for Justice, Freedom and Security Franco Frattini. The visa facilitation agreement eases the procedures for issuing short-stay and multiple-entry visas, as well as sets the fees applied by both parties at the level of €35. Moreover, under the new agreement, visa fees are waived for some categories of persons, such as close relatives, students or disabled people, and the documents that need to be presented have been simplified for certain categories of persons. The agreement on readmission sets out clear obligations and procedures for both the Russian and the respective EU member state authorities as to when and how to take back people who are illegally resident. The provisions on the readmission of third-country nationals and stateless people will only become applicable after a transition period of three years. (JBO)

## MERCURY MEASURING DEVICES

The Council on 19 April reached a common position with two changes to the Commission's draft amending Directive 76/769/EEC on the marketing of measuring devices containing mercury. The first change is a two-year transition period for barometers instead of a permanent derogation proposed by the European Parliament. The second change calls for a Commission review of available alternatives to a ban on blood pressure meters (sphygmomanometers). Banning such meters for health care purposes, the Council argues, may be "premature" due to current lack of information on reliable

safer mercury-free alternatives. The Commission's original proposal called for metallic mercury to be banned in fever thermometers and in all other measuring devices for sale to the general public such as barometers, blood pressure meters and other thermometers. (DAI)

## FUNDAMENTAL RIGHTS

The EU Council adopted on 19 April a decision establishing the financial instrument Fundamental Rights and Citizenship for 2007-2013, with a budget of €93.8 million. This instrument aims at supporting respect for fundamental rights and at encouraging citizens' participation in the democratic life of the EU. Projects financed will also promote tolerance and a better intercultural understanding throughout Europe, fighting racism, xenophobia and anti-Semitism. All member states, the acceding and candidate countries and the Western Balkans countries included in the stabilisation and association process are taking part in the programme. The programme is open to institutions and public or private organisations established in a participating country. (EVP)

## CRISIS IN ROMANIA

"It is regrettable that a country like Romania, which has only recently joined the EU, has gone to this situation of institutional crisis". At this moment, the procedure of impeachment of a sitting president in a EU member state country against the decision of the Constitutional Court creates rather than solves problems," said Joseph Daul, chairman of the EPP-ED Group, following the impeachment of Romanian President Traian Basescu on 19 April. Hannes Swoboda, vice-president of the Socialist Group, said: "All the relevant politicians must react responsibly in order not to set in motion the safety clauses of the EU and to keep Romania well-represented in the EU institutions." (CSA)

# New Publications

## Political Islam and Europe

The question of how to deal with Islamists who reject violence, and embrace democracy has become a central concern of incumbent Middle East elites, and of interested foreign actors such as the EU and US. Robert Springborg sees the need for the EU to clarify its policies towards the region and Muslim democrats within it. Engagement might itself help to contribute to policy formation in this important area, and serve as a vehicle to disseminate information about relevant EU policies. *Political Islam and Europe – Views from the Arab Mediterranean states and Turkey*, Robert Springborg, CEPS Working Documents, April, Brussels, full version available at [www.ceps.be](http://www.ceps.be)

## The Invisible Hand... of the Kremlin

This study describes the two main economic processes in Russia during President Vladimir Putin's second term; renationalisation and concentration of economic assets. According to the authorities, the wide-range renationalisation of the assets and the construction of superholdings are intended to stimulate the development of the whole economy. However, the current ruling elite is using these superholdings to strengthen Russia's position on the international arena and to promote its vested interests. *The invisible hand... of the Kremlin, Capitalism 'a la russe'*, Iwona Wisniewska, Centre for Eastern Studies, February 2007, available at [osw.waw.pl/en/epub/epunkt/2007/02/pw\\_14.htm](http://osw.waw.pl/en/epub/epunkt/2007/02/pw_14.htm)

## L'Amérique à Bruxelles

Journalist Florence Autret, the Brussels correspondent for Agefi's financial publications and for the daily *Le Télégramme*, has published an essay on relations between the European Union and the United States. She analyses the reciprocal influences exerted by the planet's two leading economic and political powers. Chapters cover the 'Atlantic origins of Europe', US lobbies in Brussels, Europe and globalised capitalism and key issues such as the battle between the European Commission and Microsoft, REACH and Galileo. *Florence Autret, L'Amérique à Bruxelles*, Editions du Seuil, March 2007, €18, [www.seuil.com](http://www.seuil.com)

# People



## Willi Budde/AIM

Willi Budde has been named as the new president of the Association Internationale de la Mutualité, AIM. He took over from Maurice Duranton and will hold the post of president until the next General Assembly of the AIM in 2008. Duranton will take over as a vice-president of the AIM and as president of the European Affairs Committee.



## Dr Miklos Hinfner/IRU

The International Road Transport Union (IRU) appointed Dr Miklos Hinfner as the IRU executive in charge of passenger transport within the European Union at the IRU Permanent Delegation in Brussels. He took over as from the beginning of April 2007. Dr Hinfner was previously secretary-general of MKFE, the Hungarian road transport operator member association of the IRU.

## Bernard Van Goethem/EC

The European Commission has decided to appoint Bernard Van Goethem to the post of director, animal health and welfare, in the Health and Consumer Protection Directorate-General (DG SANCO, AD14/15). This decision took effect on 4 April.

## Torben Brylle/EU

Torben Brylle has been appointed as the European Union Special Representative for Sudan, with effect from 1 May. Brylle, a Danish diplomat who was born in 1948, is currently serving as the Danish ambassador-designate to Egypt and Sudan. From 2001 until earlier this year, he was ambassador to South Africa. Brylle will be actively involved, on behalf of the EU, in the efforts to revitalise the political track towards a peace process for Darfur, and to continue facilitating implementation of the Comprehensive Peace Agreement.



2007 Edition

# The European Union and the environment

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# EU Agenda

Week from 23 to 29 April

## Monday 23 April

### EUROPEAN PARLIAMENT

#### PLENARY SESSION

17:00 - 23:59 *Strasbourg, Plenary Chamber*

#### 17:00-24:00

■ Resumption of part-session and order of business

#### One-minute speeches (Rule 144)

■ (\*\*\*) Payment services in the internal market - Debate on report by Jean-Paul Gauzès (EPP-ED, FR)

■ (\*\*\*) Advanced therapy medicinal products - Debate on report by Miroslav Mikolášik (EPP-ED, SK)

■ (\*\*\*) Criminal measures to enforce intellectual property rights - Debate on report by Nicola Zingaretti (PES, IT)

■ Future enlargements and cohesion - Debate on report by Markus Pieper (EPP-ED, DE)

■ Budget 2008: The Commission's annual strategic priorities - Debate on report by Kyösti Virrankoski (ALDE, FI)

■ (\*) Tariff quotas for imports into Bulgaria and Romania of raw cane sugar - Debate on report by Friedrich-Wilhelm Graefe Zu Baringdorf (Greens/EFA, DE)

■ (\*) Quota system in relation to the production of potato starch - Debate on report by Janusz Wojciechowski (UEN, PL)

■ Green Paper: Damages actions for breach of the EC antitrust rules - Debate on report by Antolín Sánchez Presedo (PES, ES)

#### KEY

(\*) *Consultation in single reading*

(\*\*) *Co-operation procedure - first reading*

(\*\*\*) *Co-operation procedure - second reading*

(\*\*\*\*) *Assent*

(\*\*\*\*I) *Co-decision procedure - first reading*

(\*\*\*\*II) *Co-decision procedure - second reading*

(\*\*\*\*III) *Co-decision procedure - third reading*

#### PARLIAMENTARY COMMITTEES

##### COMMITTEE ON DEVELOPMENT

19:00 - 20:30 *Strasbourg, SDM 1*

■ Parliament's right of scrutiny concerning the Development Cooperation Instrument - Discussion and possible adoption of the working groups' conclusions

■ Situation in Zimbabwe - Adoption of a draft motion for a resolution (Rule 103)

##### COMMITTEE ON ECONOMIC AND MONETARY AFFAIRS

19:00 - 20:30 *Strasbourg, LOW N1.3*

■ ECB Annual Report 2006 - Presentation of the Annual Report by ECB Vice-President, Lucas D. Papademos.

Rapporteur: Gay Mitchell (EPP-ED, IE)

##### COMMITTEE ON THE INTERNAL MARKET AND CONSUMER PROTECTION

21:00 - 22:30 *Strasbourg, LOW N 1.3*

##### COMMITTEE ON CIVIL LIBERTIES, JUSTICE AND HOME AFFAIRS

19:00 - 21:30 *Strasbourg, WIC 200*

■ Transatlantic Dialogue - Follow-up to the LIBE Delegation to Washington DC (16-18 April 2007) and of the Trilateral meeting on data protection (Berlin) with Jonathan Faull, Director-General of the European Commission's Justice, Freedom and Security DG

■ Re-consultation data protection (3rd pillar) - Presidency orientation on draft framework decision and discussion.

Rapporteur: Martine Roure (PES, FR) (possibly) Treaty of Prüm: The stepping up of cross-border cooperation, particularly in combating terrorism and cross-border crime - 2nd discussion. Rapporteur: Fausto Correia (PES, PT)

■ (possibly) Visa Information System (VIS) - Discussion on the outcome of the negotiations of the Council of 20 April. Rapporteur: Sarah Ludford (ALDE, UK)

■ (possibly) Access for consultation of the Visa Information System (VIS) - Discussion on the outcome of the negotiations of the Council of 20 April. Rapporteur: Sarah Ludford (ALDE, UK)

#### HUMAN RIGHTS

19:00 - 20:30 *Strasbourg, SDM 5*

■ Discussion with a view to the consultative meeting on human rights between the EU and Russia to be held on 2 and 3 May 2007 and the EU-Russia Summit of 18 May 2007

### COUNCIL OF MINISTERS

#### GENERAL AFFAIRS AND EXTERNAL RELATIONS COUNCIL

23.04. - 24.04.2007, *Luxembourg*

#### EU TROIKA – RUSSIAN FEDERATION

*Luxembourg*

#### CONFERENCE ON NATURE CONSERVATION, AGRICULTURE AND RURAL DEVELOPMENT: WHERE IS THE EU HEADED?

23.04. - 24.04.2007, *Bonn*

More: The conference «Nature Conservation, Agriculture and Rural Development – where is the EU headed?» is to discuss the prospects of sustainable rural development and agriculture in the EU.

The conference offers a forum for an informal exchange with Directors of the environmental ministries of the EU member states responsible for nature conservation as well as with representatives from associations and the scientific community in order to discuss proposals for setting trends, taking into account the needs of nature conservation.

The discussions will concentrate on experience gained with regard to the repercussions of EU agriculture and rural development policies on environmental protection and nature conservation. There will be an exchange of views on the demands of nature conservation on agriculture and rural development as well as discussions on opportunities for rural development and agriculture in Europe opening up due to environmental

protection and nature conservation.

## COMMON FORUM ON CONTAMINATED LAND

23.04. - 24.04.2007, Stuttgart

## EUROPEAN COMMISSION

### TRAVEL AND VISITS

- Mr Barroso to meet the German Chancellor, Mrs Angela Merkel (Berlin, Meseberg)
- Mr Barroso to meet the «US Board of the BDI» (Berlin, Meseberg)
- Signature of the «Trust Fund» agreement by Mr Michel, by the Belgian Minister for Cooperation and Development, Mr Armand De Decker and by the President of the EIB, Mr Philippe Maystadt (Jean Monnet room, Berl)
- Official opening by Mr Kallas of the Berlaymont Building at Mini Europe (Bruparck)
- Mr Frattini in Russia. Participation in the EU/RUSSIA Ministerial Meeting (Moscow)
- Mrs Fischer Boel in Stuttgart. Speech at the General Assembly of German Wine Growers Association in Stuttgart. Visit of the Intervitis Interfructa exhibition - Press conference. Visit of wineries (afternoon)
- Mrs Hübner to meet the President of BusinessEurope, Mr Ernest-Antoine Seilliere
- Mrs Reding to meet CEOs from ECTA (European Competitive Telecommunications Association)
- Mrs Reding to meet Mr Stefano Parisi, CEO of Fastweb
- Speech by Mr Kallas to the SEAP General Assembly (Residence Palace, rue de la loi 55)
- Mr Špidla to meet the Latvian Minister for Administration of European Funds, Mr Norman Broks
- Mrs Kuneva to visit the Rotterdam Port (Rotterdam)
- Mrs Kuneva to meet the German-Bulgarian Chamber of Commerce (Brussels)
- Mr Almunia to meet directors of the Spanish Regional Office in Brussels
- Opening speech by Mr Barrot on the occasion of Road Safety Week (Geneva)
- Mr Rehn to meet Mr Maarten B. Engwirda, member of the European Court

of Auditors

- Mr Borg in Morocco. Meeting with the Minister for Agriculture, Rural Development and Fisheries, Mr Mohand Laenser

## CONFERENCES AND SEMINARS

23-24 April, Brussels

### Challenges of building retail markets in Europe

Subject: 1 July 2007 marks the day when all consumers have the right to choose their power supplier under the 2003 Electricity Directive. This EURELECTRIC conference examines the broad range of issues around retail market opening in Europe.

Contact: EURELECTRIC, Blvd. de l'Impératrice 66, B-1000 Brussels, Tel: +32 2 515 10 00, Fax: +32 2 515 10 69, www.eurelectric.org  
Venue: Hotel Marriott, 3-7 Rue A. Orts, 1000 Brussels

## Tuesday 24 April

## EUROPEAN PARLIAMENT

### PLENARY SESSION

09:00 - : Strasbourg, Plenary Chamber

### 09:00-11:50

#### Votes on requests for urgent procedure (Rule 134)

- (\*) Organic farming: organic production and labeling of the products - Report by Marie-Hélène Aubert (Greens/EFA, FR)
- Discharge for implementation of the European Union general budget for the financial year 2005 - Joint debate
- 2005 Discharge: Section III - Commission - Report by Salvador Garriga Polledo (EPP-ED, ES)
- 2005 Discharge: Section I - European Parliament - Report by Bart Staes (2005 Discharge: Section II, Council - Section II, Council - Report by Daniel Caspary (EPP-ED, DE)
- 2005 Discharge: Section IV - Court of Justice - Report by Daniel Caspary (EPP-ED, DE)

- 2005 Discharge: Section V - Court of Auditors - Report by Daniel Caspary (EPP-ED, DE)
- 2005 Discharge: Section VI - Economic and Social Committee - Report by Daniel Caspary (EPP-ED, DE)
- 2005 Discharge: Section VII - Committee of the Regions - Report by Daniel Caspary (EPP-ED, DE)
- 2005 Discharge: Section VIIIA - European Ombudsman - Report by Daniel Caspary (EPP-ED, DE)
- 2005 Discharge: Section VIIIB - European Data Protection Supervisor - Report by Daniel Caspary (EPP-ED, DE)
- 2005 Discharge: sixth, seventh, eighth and ninth European Development Funds - Report by Mogens N.J. Camre (UEN, DK)
- 2005 Discharge: European Centre for the Development of Vocational Training - Report by Edit Herczog (PES, HU)
- 2005 Discharge: European Foundation for the Improvement of Living and Working Conditions - Report by Edit Herczog (PES, HU)
- 2005 Discharge: European Agency for Reconstruction - Report by Edit Herczog (PES, HU)
- 2005 Discharge: European Monitoring Centre on Racism and Xenophobia - Report by Edit Herczog (PES, HU)
- 2005 Discharge: European Monitoring Centre for Drugs and Drug Addiction - Report by Edit Herczog (PES, HU)
- 2005 Discharge: European Environment Agency - Report by Edit Herczog (PES, HU)
- 2005 Discharge: European Agency for Safety and Health at Work - Report by Edit Herczog (PES, HU)
- 2005 Discharge: Translation Centre for the Bodies of the European Union - Report by Edit Herczog (PES, HU)
- 2005 Discharge: European Agency for the Evaluation of Medicinal Products - Report by Edit Herczog (PES, HU)
- 2005 Discharge: Eurojust - Report by Edit Herczog (PES, HU)
- 2005 Discharge: European Training Foundation - Report by Edit Herczog (PES, HU)
- 2005 Discharge: European Maritime Safety Agency - Report by Edit Herczog (PES, HU)
- 2005 Discharge: European Aviation Safety Agency - Report by Edit Herczog (PES, HU)
- 2005 Discharge: European Food Safety

Authority - Report by Edit Herczog (PES, HU)

- 2005 Discharge: European Centre for Disease prevention and Control (ECDC) - Report by Edit Herczog (PES, HU)
- 2005 Discharge: European Agency for Networks and Information Society (ENISA) - Report by Edit Herczog (PES, HU)
- Combating HIV/AIDS within the European Union and in the neighbouring countries, 2006-2009 - Debate on report by Georgs Andrejevs (ALDE, LV)

#### 12:00-13:00

##### Votes - Rule 43(1)

- (\*) EC-Malaysia Agreement on certain aspects of air services - Report by Paolo Costa (ALDE, IT)
  - (\*) Europol basic salaries and allowances - Report by Jean-Marie Cavada (ALDE, FR)
- Votes - (Rule 131)
- Request for the waiver of Vural Öger's parliamentary immunity - Report by Francesco Enrico Speroni (UEN, IT)

#### 15:00-18:00

- Maritime transport - Joint debate
- (\*\*\*) Community vessel traffic monitoring and information system - Report by Dirk Sterckx (ALDE, BE)
- (\*\*\*) Investigation of accidents in the maritime transport sector - Report by Jaromír Kohlíček (GUE/NGL, CZ)
- (\*\*\*) Liability of carriers of passengers in the event of accidents - Debate on report by Paolo Costa (ALDE, IT)
- (\*\*\*) Port State control (recasting) - Report by Dominique Vlasto (EPP-ED, FR)
- (\*\*\*) Ship inspection and survey organisations (recasting) - Report by Luis DE Grandes Pascual (EPP-ED, ES)

#### 18:00-19:30

##### Question time to the Commission

#### 21:00-24:00

- European Aviation Area - Joint debate
- Multilateral Agreement on the Establishment of a European Common Aviation Area - Commission statement
- (\*) Multilateral Agreement on the Establishment of a European Common Aviation Area (ECAA) - Report by Eva Lichtenberger (Greens/EFA, AT)
- Galileo - Statement by the Commission
- (\*\*\*) Air transport: common rules for civil aviation security - Debate on recommendation for second reading by

Paolo Costa (ALDE, IT)

- (\*\*\*) Assessment and management of flood risks - Debate on recommendation for second reading - Richard Seeber (EPP-ED, AT)
- Thematic Strategy on the sustainable use of natural resources - Debate on report by Kartika Tamara Liotard (GUE/NGL, NL)

#### KEY

- (\*) *Consultation in single reading*
- (\*\*I) *Co-operation procedure - first reading*
- (\*\*II) *Co-operation procedure - second reading*
- (\*\*\*) *Assent*
- (\*\*\*) *Co-decision procedure - first reading*
- (\*\*\*) *Co-decision procedure - second reading*
- (\*\*\*) *Co-decision procedure - third reading*

#### THE PRESIDENT'S DIARY

##### 15:30 - 16:30 Strasbourg

- 15:30 Meeting with Vicente Fox, former President of Mexico and Manuel Espino, President of the Mexican National Action Party (PAN)

#### DELEGATIONS

- Joint meeting of the delegation for relations with Belarus, the delegation to the EU-Russia Parliamentary Cooperation Committee and the delegation to the EU-Ukraine Parliamentary Cooperation Committee

##### 17:00 - 18:00 Strasbourg, SDM S5

- Security of energy supply: developments in EU energy relations with Russia, Ukraine and Belarus - Discussion with Andris Piebalgs, EU Commissioner on Energy
- Contact: Thomas Dudrap, Press Service, foreign-press@europarl.europa.eu, (32-2) 28 44524 (BXL)

## COUNCIL OF MINISTERS

#### EU-TROIKA – ECOWAS

Luxembourg

#### EU – LEBANON ASSOCIATION COUNCIL

Luxembourg

#### EU – ALGERIA ASSOCIATION COUNCIL

Luxembourg

#### POLITICAL AND SECURITY COMMITTEE (PSC)

Brussels

#### INTERNATIONAL STANDARDS FOR DIGITAL ARCHIVES – 3RD EUROPEAN CONFERENCE ON EAD, EAC AND METS

24.04. - 26.04.2007, Berlin

More: Archives increasingly use the Internet to facilitate free, unhindered access to their holdings, independently of place and time. The use of the international standards EAD (Encoded Archival Description), EAC (Encoded Archival Context) and METS (Metadata Encoding and Transmission Standard) is a major precondition for the exchange of descriptive information and metadata on digitised and digitally-created archives for joint portals and gateways. For this reason, the 3rd European Conference on EAD, EAC and METS will provide general information on the standards and discuss experience with their usage, as well as various different aspects of their deployment. With financial support from the Andrew W. Mellon Foundation, New York, the Federal Archives were able to test the combination of EAD, EAC and METS in a pilot application for the presentation of digitised holdings on the Internet.

Contact person: Brigitte Fischer, Federal Archives, Tel: +49 (0)30 • 187 77 07 75, E-Mail: info@instada.eu, www.bundesarchiv.de, www.bkm-eu2007.de

## EUROPEAN COMMISSION

#### TRAVEL AND VISITS

- Mr Barroso to meet the former President of Mexico, Vicente FOX and the Chairman of the «Partido Acción Nacional», Gabriel Espino (Strasbourg)
- Mr Frattini in Moldova: Meeting with the President of the Republic of Moldova, Mr Vladimir Voronin; the Prime Minister, Mr Vasile Tarlev and the Minister of Foreign Affairs, Mr Andrei Stratan (Chisinau). Participation in the official opening of the first centre solely for visa applications (Chisinau).
- Mrs Hübner to meet Mr Miroslav Ouzky, Chairman of the EP's Committee on the Environment, Public Health and Food Safety (Strasbourg)



■ Mrs Ferrero-Waldner to meet Karen Koning Abuzayd, Commissioner-General of the UNRWA (Strasbourg)

■ Mrs Kuneva to meet Mr Jerome Bedier, President of MEDEF

■ Participation by Mr Barrot in the «Steering Group of Commissioners for Maritime Policy». (Strasbourg)

■ Official opening by Mr Barrot of the exhibition «Airbus Photographic Art» (Strasbourg)

■ Mr. Kyprianou to meet Mr Ben Bradshaw, British Minister of State (Local Environment, Marine and Animal Welfare)

## COURT OF JUSTICE

### GRAND CHAMBER

09.30

■ **Judgment C-523/04 Commission v Netherlands**

#### Transport

Failure of a Member State to fulfil its obligations - Infringement of Articles 5 and 52 of the EC Treaty (now Articles 10 and 43 EC) - Infringement of Council Regulations (EEC) Nos 2409/92 of 23 July 1992 on fares and rates for air services (OJ 1992 L 240, p. 15) and 2299/89 of 24 July 1989 on a code of conduct for computerised reservation systems (OJ 1989 L 220, p. 1), as amended by Council Regulation (EEC) No 3089/93 of 29 October 1993 (OJ 1993 L 278, p. 1) - 'Open sky' bilateral agreement with the US - Review - Restrictions on freedom to provide services.

■ **Opinion C-2/06 Kempter**

#### Area of Freedom, Security and Justice

Reference for a preliminary ruling - Finanzgericht Hamburg - Interpretation of Article 10 of the EC Treaty as interpreted by the judgment of the Court in Case C-453/00 Kühne & Heitz [2004] ECR I-837 - Review and amendment of a final administrative decision by an administrative body in order to take account of the interpretation of the relevant Community provision given in the meantime in a judgment of the Court although the person to whom the decision was addressed had not relied on infringement of that provision at the time of the initial judicial proceedings and lodged its application for review only 19 months after that judgment was delivered

■ **Hearing C-194/06 Orange European Smallcap Fund**

### Free movement of capital

Reference for a preliminary ruling - Hoge Raad der Nederlanden - Interpretation of Articles 56 EC, 57(1) EC and 58(1) EC - National legislation granting a tax credit to an investment undertaking in respect of tax on dividends deducted at source by another Member State - Limitation in the case of shareholders not resident in the Netherlands or not subject to Netherlands corporation tax

## COURT OF FIRST INSTANCE

### FIRST CHAMBER

09.30

■ **Hearing T-304/05 Cain Cellars v OHMI (Représentation d'un pentagone) Intellectual property**

Community trade mark - Action for annulment of decision R 975/2004-1 of the First Board of Appeal of the Office for Harmonisation in the Internal Market (OHIM) of 23 May 2005 dismissing the appeal against the decision of the examiner refusing registration of a figurative mark in the form of a pentagon for goods in Class 33

### FIFTH CHAMBER

09.30

■ **Hearing T-266/04 Spain v Commission Agriculture**

Partial annulment of Commission Decision 2004/457/EC of 29 April 2004 excluding from Community financing certain expenditure incurred by the Member States under the Guarantee Section of the European Agricultural Guidance and Guarantee Fund (EAGGF) (OJ 2003 L 156, p. 48), inasmuch as it excludes certain expenditure incurred by Spain

## COMMITTEE OF THE REGIONS

24 April, CoR, Brussels

■ **“Europe and Life sciences : Ile-de-France, a leading region”**

Subject: The event will focus on Life Sciences in Europe, highlighting the assets of the Ile-de-France Region in this field and the possible synergies with other EU regions and at the European level, namely with: the presentation of a study

on the major EU metropolitan areas with Life Sciences clusters; a presentation of the Life Sciences cluster of Ile-de-France (Competitiveness pole MEDICEN); the presence of representatives of this cluster; the presence of a representative of a Life Sciences cluster from another European region; a presentation of the “Health” thematic priority within FP7 by a representative of the European Commission.

Organiser: The Paris Region Agency for Economic Development and the Ile-de-France Regional Council  
Registration compulsory: Karine De Crescenzo, karine.decreczenzo@iledefrance-europe.org, Tel : 32(0)2 289 25 10, Fax : 32(0)2 513 63 74

For more information about this project, please visit:

<http://mailing.paris-region.com/Bruxelles2007/invitation.htm>

Venue: CoR, Room BEL 51, 9h30 - 14h00

## Wednesday 25 April

## EUROPEAN PARLIAMENT

### PLENARY SESSION

09:00 - 23:59 Strasbourg, Plenary Chamber

09:00-11:20

■ Transatlantic relations - Council and Commission statements

■ Report on Croatia's 2006 progress report - Debate on report by Hannes Swoboda (PES, AT)

11:30-12:00

#### Votes (Rule 131)

■ (\*\*\*) Transmission of national accounts data - Report by José Manuel García-Margallo y Marfil (EPP-ED, ES)

■ (\*) Adapting the provisions concerning the Court of Justice in fields covered by Title IV of Part Three of the Treaty establishing the European Community - Report by József Szájer (EPP-ED, HU)

■ (\*) Framework Agreement on a Multilateral Nuclear Environmental Programme in the Russian Federation and of the Protocol on Claims, Legal Proceedings and Indemnification - Report by Vladimír Remek (GUE/NGL, CZ)

- (\*\*\*) Provision of basic information on Purchasing Power Parities and for their calculation and dissemination - Report by Sharon Bowles (ALDE, UK)

#### Other votes

- International accounting standards concerning financial information - RP
- Proposal for a decision to set up a Temporary Committee on Climate Change

#### 12:00-12:30

- Formal sitting - India

#### 12:30-13:00

##### Continuation of votes

#### 15:00-18:00

- Joint debate - Human rights
- Annual report on Human rights in the world 2006 and the EU's policy on the matter - (possibly) Debate on report by Simon Coveney (EPP-ED, IE)
- Moratorium on the death penalty - Council and Commission statements
- Ukraine - Council and Commission statements
- Homophobia in Europe - Council and Commission statements

#### 18:00-19:00

##### Question time to the Council

#### 21:00-24:00

- (\*\*\*) Rapid Border Intervention Teams - Debate on report by Gérard Deprez (ALDE, BE)
- Public finances in the EMU 2006 - Debate on report by Kurt Joachim Lauk (EPP-ED, DE)
- Reinforce European legislation in the field of information and consultation of workers - Commission statement
- (\*\*\*) Simplifying reports on implementation - Debate on report by Ilda Figueiredo (GUE/NGL, PT)
- Possibly, reports under Rule 134

#### KEY

(\*) *Consultation in single reading*

(\*\*I) *Co-operation procedure - first reading*

(\*\*II) *Co-operation procedure - second reading*

(\*\*\*) *Assent*

(\*\*\*) *Co-decision procedure - first reading*

(\*\*\*) *Co-decision procedure - second reading*

(\*\*\*) *Co-decision procedure - third reading*

#### THE PRESIDENT'S DIARY

##### 11:30 - 19:00 Strasbourg

- 11:30 Bilateral meeting with Abdul Kalam, President of India
- 17:15 Meeting with Karen Abuzayd, Commissioner-General of UNRWA (United Nations Relief and Works Agency)
- 18:00 Meeting with the Knesset Delegation

## COUNCIL OF MINISTERS

#### COREPER I

Brussels

#### COREPER II

Brussels

#### SYMPOSIUM MARKING THE 10TH ANNIVERSARY OF THE FOUNDING OF THE ORGANIZATION FOR THE PROHIBITION OF CHEMICAL WEAPONS

25.04. - 27.04.2007, Berlin

#### MEETING OF DIRECTORS-GENERAL RESPONSIBLE FOR CIVIL PROTECTION

25.04. - 27.04.2007. Weimar

#### CONFERENCE OF DIRECTORS OF EU PAYING AGENCIES

25.04. - 27.04.2007, Potsdam

European Commission

#### WEEKLY COMMISSION MEETING

- Draft agenda:
- Preparation of the EU/US summit (30 April)
- (event.) Communication on the European Space Policy
- (event.) Screening of the staff resources of the Commission

#### TRAVEL AND VISITS

- Mr Barroso to meet the «Institute of Directors» (London)
- Speech by Mr Potocnik on «Research Policy in the European Union», in a debate with the Executive Director of the Nobel Foundation and the Rector of Luxembourg University, (Neumunster Abbey, Lux.)
- Mr Michel on mission in Israel, Syria and Jordan (25-29)
- Visit by Mr Orban to Germany (25-27). Visit to the Bundestag, joint meeting with the Committee on European Affairs,

the Finance Committee and the Budget Committee on the political agenda; speech at the French Institute «Language being a barrier or a facilitator?»; meeting with the German Federal Minister of Education and Research, Mrs Annette Schavan (Berlin, 25). Visit to a Franco-German secondary school; meeting with Prof. Dr. E. Jürgen Zöllner, Senator responsible for education in the city of Berlin on «actions for learning languages in the context of immigration»; meeting with the Federal Minister of the Interior, Mr Wolfgang Schäuble on the study of a pilot project on «learning languages and immigration» (Berlin, 26). Participation at a Unesco conference on cultural diversity (Essen, 27) and speech in the framework of the Universities' Symposium on «The potential of European Philology» - «Can language diversity help to create a European identity?» (Osnabrück, 27)

- Visit by Mrs Fischer Boel to the Bonollo distillery (Mestrino, Italy)
- Mr Mandelson to meet the Dutch Minister for Foreign Trade, Mr Frank Heemskerck
- Mrs Wallström to visit the United States (25-27): meeting with American Congress members; meeting with Mrs Nancy Pelosi, Leader of the House of Representatives; participation in the Round Table organised by the Centre for Strategic and International Studies on the theme of «Communicating Europe - A mission impossible»; She will give a conference at the «John Hopkins School of Advanced International Studies» on the theme of «What future for Europe»(26); Meeting with Mrs Paula J. Dobriansky, Under Secretary, Democracy and Global Affairs; Participation in a meeting with NGOs and Congress members organised by the «Albright Group»; Conference at the American University («The EU at 50: What common purpose for the future»)(27).
- Speech by Mrs Hübner at the Conference «Managing Urban Land» in Stuttgart
- Speech by Mr Dimas on the occasion of the Asia-Europe Summit (Copenhagen)
- Mrs Reding in Paris (25-26): Visit to the «Thales European Research Centre for Security & Information Systems» (ThereSIS); Speech on «New policies for next generation services» at the launch of Digiworld (25); Meeting with Mrs Darlène Solomon, Chief Technology Officer and

Vice President of Agilent Laboratories; Meeting with Mrs Laurence Parisot, President of Medef; Meeting with daily newspaper bosses and regional editors; Participation in a debate at the Master's Conference on «Audiovisual Law and Administration» (26)

■ Mr Špidla to launch the European Diversity Truck (in front of the EP, Strasbourg)  
 ■ Mrs Kuneva to visit Madrid, Spain  
 ■ Mr Almunia in Athens. Speech on «Unveiling the new Priorities for EMU» at the «11th Annual Economist Conference Government Round Table and «Which Model for Europe», organised by the Greek Minister for Economy and Finance

## COURT OF JUSTICE

### THIRD CHAMBER

09.30

■ **Hearing C-20/05 Schwibbert**  
*Intellectual property*

The text is not available in English

11.00

■ **Hearing C-399/05 Commission v Greece**

*Company law*

Failure of a Member State to fulfil obligations - Infringement of Article 4(2) of Council Directive 93/38/EEC of 14 June 1993 coordinating the procurement procedures of entities operating in the water, energy, transport and telecommunications sectors (OJ 1993 L 199, p. 84) - Admission of the tenders of two companies not meeting the conditions of the notice to tender or of the specification - Construction and bringing into operation of a thermal power station at Lavrio

## COURT OF FIRST INSTANCE

### SECOND CHAMBER

09.30

■ **Hearing T-207/04 Italy v Commission**  
*Regional policy*

Annulment of the Commission's Decision No E2/LP D(2004) 712 of 25 March 2004 on the interpretation of the provisions governing the conditions for the Commission's payment of

expenditure of operations co-financed by the Structural Funds and, in the alternative, annulment of Commission Regulation (EC) No 448/2004 of 10 March 2004 amending Regulation (EC) No 1685/2000 laying down detailed rules for the implementation of Council Regulation (EC) No 1260/1999 as regards the eligibility of expenditure of operations co-financed by the Structural Funds and withdrawing Regulation (EC) No 1145/2003 (OJ 2004 L 72, p. 66)

■ **Hearing T-443/04 Italy v Commission**  
*Regional policy*

Annulment of Commission decisions D(2004) 7355 of 27 August 2004, D(2004) 7609 of 3 September 2004, (D(2004) 7965 of 15 September 2004, D(2004) 8094 of 17 September 2004, D(2004) 8097 of 17 September 2004 and D(2004) 8285 of 20 September 2004 on the interpretation of the provisions concerning the conditions for payment by the Commission from the Structural Funds in operations cofinanced by those funds

■ **Hearing T-308/05 Italy v Commission**  
*Regional policy*

Annulment of several Commission decisions taken in June 2005 on the interpretation of provisions concerning the conditions of payment by the Commission of the contribution of the Structural Funds to operations co-financed by the latter

■ **Hearing T-345/04 Italy v Commission**  
*Regional policy*

Direct action - Annulment of Commission decisions D (2004)4074 of 17 June 2004 and JE/OA D (2004) 5446 of 14 July 2004, on the interpretation of the provisions concerning the conditions of payment by the Commission of the contribution from the Structural Funds in operations co-financed by the latter

### FOURTH CHAMBER

09.30

■ **Judgment T-264/04 WWF European Policy Programme v Council**  
*Law governing the institutions*

Annulment of the Council's decision of 30 April 2004 refusing to give the applicant access to Commission documents concerning sustainable development and trade after Cancun which were provided to Members of 'the Article 133 Committee'

### FOURTH CHAMBER, EXTENDED COMPOSITION

09.30

■ **Hearing T-351/03 Schneider Electric v Commission**

*Competition*

Action for damages seeking compensation for the loss allegedly suffered by the applicant as a result of the Commission's conduct in the evaluation of the concentration seeking Legrand's acquisition by Schneider Electric (Case No COMP/M.2283 - Schneider/Legrand)

## ECONOMIC AND SOCIAL COMMITTEE

### PLENARY SESSION

**OPENING OF THE SESSION: 2.30 P.M.**

■ The session will be attended by Engelbert Lütke Daldrup, state secretary at the German Federal Ministry of Transport, Building and Urban Affairs, on behalf of the German presidency-in-office of the Council, at 3.30 p.m. on Wednesday 25 April 2007.

■ Points on the agenda:

1. Presence of a quorum
2. Adoption of the draft agenda
3. Approval of the minutes of the 434th plenary session (CESE 456/2007) held on 14 and 15 March 2007
4. Statement by the President
5. Members' discussion time
6. Statement by Mr Engelbert Lütke Daldrup, state secretary at the German Federal Ministry of Transport, Building and Urban Affairs, on behalf of the German presidency-in-office
7. Committee opinions

■ Report on Competition Policy 2005  
 Rapporteur: Mr Garai (Gr. III-HU)

■ Towards a future Maritime Policy for the Union: A European vision for the oceans and seas (Green Paper)  
 Rapporteur: Ms Bredima-Savopoulou (Gr. I-EL)

Co-rapporteurs: Mr Chagas (Gr. II-PT)  
 Mr Nilsson (Gr. III-SE)

■ A common EU ports policy  
 Rapporteur: Mr Simons (Gr. I-NL)

■ Freight Transport Logistics in Europe – the key to sustainable mobility (communication)

Rapporteur: Mr Barbadillo López (Gr. I-ES)

- Short sea shipping (mid-term review) (communication)  
Rapporteur: Mr Chagas (Gr. II-PT)
- Road infrastructure safety management  
Rapporteur: Mr Simons (Gr. I-NL)
- Internal market of Community postal services (permanent study group on Services of general interest)  
Rapporteur: Mr Hencks (Gr. II-LU)
- Transport in urban and metropolitan areas (exploratory opinion requested by the German Presidency)  
Rapporteur: Mr Ribbe (Gr. III-DE)
- Framework for soil protection  
Rapporteur: Mr Nilsson (Gr. III-SE)
- Authorisation procedure for food additives, food enzymes and food flavourings  
Food enzymes  
Food flavourings  
Food additives  
Rapporteur: Mr Pezzini (Gr. I-IT)
- Implementing sustainability in EU fisheries through maximum sustainable yield (communication)  
Rapporteur: Mr Sarró Iparraguirre (Gr. III-ES)
- Import/export of cat and dog fur  
Rapporteur: Mr Retureau (Gr. II-FR)
- Exports and safe storage of metallic mercury  
Rapporteur: Mr Osborn (Gr. III-UK)
- Value and supply chain trends in a European and global context (own-initiative opinion)  
Rapporteur: Mr Van Iersel (Gr. I-NL)
- Guidelines for employment policies  
Rapporteur: Ms O'Neill (Gr. III-UK)
- The metropolitan regions: socio-economic implications for the future of Europe (exploratory opinion requested by the German presidency)  
Rapporteur: Mr Van Iersel (Gr. I-NL)
- Territorial agenda of the EU (exploratory opinion requested by the German presidency)  
Rapporteur: Mr Pariza Castaños (Gr. II-ES)
- 8. Other business
- 9. Date of the next plenary session.  
25 April, Brussels
- Participation of Mr Linas Lasiauskas et Mr Claudio Cappellini in the joint Conference organised by Euratex et EUF/TCL on «Restructuring and industrial change in the Textile-Clothing sector»

## COMMITTEE OF THE REGIONS

25 April, CoR, Brussels

- **Regional Opportunities for Managing Demographic change**  
Subject: The seminar «Regional Opportunities for Managing Demographic Change» is premised on the idea that demographic change is not only a challenge but also an opportunity. Due to the ageing of populations, there is a need for new services, products and innovations. The purpose of this seminar is to look at demographic change from a regional and local perspective and to discuss the opportunities for developing new markets linked to ageing. The seminar is organised by South Finland EU-office which represents three Finnish regions: Häme, Päijät-Häme and Itä-Uusimaa.  
Organiser: South Finland EU Office  
For more information please contact: southfinland@skynet.be  
Venue: CoR, Brussels, JDE 70 – 9.00 – 13.00

## CONFERENCES AND SEMINARS

25 April, Brussels

- **GEODE IV seminar: Distributors and the new EU regulation: third energy package**  
Subject: Special attention will be given to the Third Energy Package published by the European Commission last 10th January and its effects for distribution companies.  
Organisers: GEODE (Groupement Européen des entreprises et Organismes de distribution d'Énergie)  
Contact: Tel: 34 93 414 22 77 – geode@delasprat.com  
Venue: Hotel Sheraton, Place Rogier, 3 - 1210 Brussels  
www.geode-eu.org

25-27 April, Alicante (Spain)

- **8th Interactive conference on Indirect Taxation**  
Subject: Taxable basis (Open market value, Free goods, Self-supplies); Recharging of services (FCE bank case, (European) VAT Grouping); Financial services

Organisers: VAT Forum  
Contact: VAT Forum, tel: 32 2 272 44 39, info@vatforum.com  
Venue: Hotel Sidi San Juan  
http://www.vatforum.com/alicante/

25-27 April, Brasov (Romania)

- **Energy and Climate Change : Communicating to change our behaviour 12th Energie-Cités Annual Conference**  
Subject: This conference will give the opportunity: to bring practical and down-to-earth answers (to develop an efficient communication strategy on a local level, to understand the mechanisms behind behavioural change, to involve partners, to have access to professional operational support...); to develop exchanges about European experiences within participative theme workshops; to appreciate the views of communication and social marketing specialists.  
Organisers: Energie-Cités with the Municipality of Brasov  
Contact: Nathalie Morge, Tel : 33 3 81 65 36 81, www.energie-cites.org/nathalie  
Venue: Aro Palace Hotel, b-dul Eroilor 27-29, RO-500030 Brasov  
www.energie-cites.org/conference

## Thursday 26 April

## EUROPEAN PARLIAMENT

### PLENARY SESSION

10:00 - 18:00 Strasbourg, Plenary Chamber

**10:00-11:50**

- EU-Swiss relations - Commission Statement
- Situation of disabled women in the European Union - Debate on report by Esther Herranz García (EPP-ED, ES)

**12:00-13:00**

- Votes (Rule 131)
- (\*) Scheme to compensate for the additional costs incurred in the marketing of certain fishery products from the Azores, Madeira, the Canary Islands, and the French departments of Guiana and Réunion (2007-2013) - Report by Duarte Freitas (EPP-ED, PT)
- (\*) Regional Advisory Councils under the Common Fisheries Policy - Report by



Elsbeth Attwooll (ALDE, UK)

■ (\*) Conservation and sustainable exploitation of fisheries resources - Report by Ioannis Gklavakis (EPP-ED, EL)

#### 15:00-16:00

■ Zimbabwe - Commission statement

#### 16:00-17:00

■ Debates on cases of breaches of human rights, democracy and the rule of law - Rule 115

■ Recent repression of demonstrations in Russia

■ The kidnapping of Alan Johnston in Gaza

■ Human Rights situation in The Philippines

#### 16:00 (OR AT THE END OF THE PRECEDING DEBATES)

Votes

#### KEY

(\*) *Consultation in single reading*

(\*\*I) *Co-operation procedure - first reading*

(\*\*II) *Co-operation procedure - second reading*

(\*\*\*) *Assent*

(\*\*\*) *Co-decision procedure - first reading*

(\*\*\*) *Co-decision procedure - second reading*

(\*\*\*) *Co-decision procedure - third reading*

#### THE PRESIDENT'S DIARY

20:00 - 22:00 *Brussels, Palais des Beaux-Arts*

■ Gala charity concert - Association Femmes d'Europe - Award of prize to the orchestra «Sächsische Staatskapelle Dresden»

#### OTHER EVENTS

■ EP Citizen's Forum on the Future of Europe

09:00 - 19:00 *Würzburg, Germany, University, Maximum Auditorium*

As part of its contribution to the debate on the future of Europe and the period of reflection following the 'no' votes on the constitution in France and the Netherlands, the European Parliament is organising a series of citizen's forums to enable members of the public directly to enter the debate on the main issues. This forum, in Würzburg, entitled «Having our say in Europe» will focus on the German Presidency, competitiveness, education and employment.

Participants: Lissy Gröner (PES, DE) and

Anja Weisgerber (EPP-ED, DE)

Contact: Jochen Kubosch, Munich Office, ■49 89 20 20 87 90, Jochen.Kubosch@europarl.europa.eu

## COUNCIL OF MINISTERS

### INFORMAL MEETING OF MINISTERS FOR COMPETITIVENESS

26.04. - 28.04.2007, *Würzburg*

More: More about this event: [www.bmbf.de](http://www.bmbf.de)

### INFORMAL MEETING OF THE EUROPEAN EMPLOYMENT COMMITTEE (EMCO)

26.04. - 27.04.2007, *Dresden*

### 5TH CONGRESS OF THE SOCIAL SECTOR: MANAGING EUROPE'S SOCIAL AFFAIRS; VALUES – COMPETITION – FINANCE

26.04. - 27.04.2007, *Magdeburg*

### CEDEFOP-CONFERENCE: TOWARDS A EUROPEAN AREA OF VET

26.04. - 27.04.2007, *Thessaloniki*

More: More about this event on [www.bmbf.de](http://www.bmbf.de)

### CONFERENCE ON «BUILDING CULTURE FOR SUSTAINABLE URBAN DEVELOPMENT»

26.04. - 27.04.2007, *Hamburg*

More: Further information: [www.bmvbs.de](http://www.bmvbs.de)

### CONFERENCE: CULTURAL DIVERSITY – EUROPE'S WEALTH. BRINGING THE UNESCO CONVENTION TO LIFE

26.04. - 28.04.2007, *Essen*

In the context of the European ratification process the conference will hold a broad-based debate on the concept of Cultural Diversity. What does it mean? How can the Convention be brought to life? For a debating the topics film, music, media politics and north-south cooperation analyse dangers and opportunities. Together with representatives of the international civil society elements for a European action paper will be developed.

Contact person: Christine M. Merkel, German Commission for UNESCO, +49(0)228 604970, [merkel\(at\)unesco.de](mailto:merkel(at)unesco.de), [www.unesco.de](http://www.unesco.de)

## EUROPEAN COMMISSION

### TRAVEL AND VISITS

■ Mr Barroso to visit the United States (26-29): in New York from 26 to 28, in Washington on 29

■ Mrs Fischer Boel to meet a delegation from Fedolive (Fédération de l'Industrie de l'Huile d'Olive de l'UE)

■ Mr Piebalgs to meet the Russian Industry and Energy Minister, Mr Viktor Khristenko

Mrs Hübner in Geneva. Participation in the 60th anniversary of the United Nations Economic Commission for Europe (UNECE). Guest of honour at the debate on the «Contribution of the Economic Commission for Europe to pan-European economic integration in the era of globalisation». Meeting in Geneva with Mr Pascal Lamy, Director-General of the World Trade Organisation (WTO)

■ Mr Dimas to meet the German Minister-President of Saxony, Prof. Dr. George Milbradt

■ Mr Špidla to participate in the press conference on Social Partners Agreement on Harassment and Violence at Work (Confederation of European Unions, Brussels)

■ Mr Kovacs to meet Mr Georg Milbradt, the German Minister-President of Saxony

■ Official visit of Mrs Ferrero-Waldner to Kaliningrad

■ Participation of Mrs Ferrero-Waldner in a transatlantic dinner with NATO & EU Foreign ministers (Oslo)

■ Mrs Kuneva to visit Santander, Spain

■ Participation and speech by Mr Barrot at the Road Safety Conference organised by Toyota at Auto World (Bruxelles)

■ Mr Rehn to meet Mrs Majlinda Bregu, European Integration Minister of the Republic of Albania

■ Mr Borg in Copenhagen (26-27). Participation in the General Assembly meeting of the Danish Fishermen's Association. In the margins of this, meetings with the Minister for Food, Agriculture and Fisheries, Mr Hans Christian SCHMIDT and Danish stakeholders on the Maritime Green Paper at the Danish Maritime Authority, followed by a press briefing

## COURT OF JUSTICE

### FIRST CHAMBER 09.30

#### ■ **Opinion C-202/06 P Cementbouw Handel & Industrie v Commission** *Competition*

Appeal against the judgment of the Court of First Instance (Fourth Chamber, Extended Composition) of 23 February 2006 in Case T-282/02 Cementbouw Handel & Industrie BV v Commission of the EC, whereby the Court of First Instance dismissed an application for annulment of Commission Decision 2003/756/EC of 26 June 2002, relating to a procedure pursuant to Council Regulation (EEC) No 4064/89 (Case COMP/M.2650 – Haniel/Cementbouw/JV (CVK)), declaring a concentration entailing the acquisition of joint control of the cooperative CVK by Franz Haniel & Cie GmbH and Cementbouw Handel & Industrie BV to be compatible with the common market and the EEA Agreement, on condition that certain commitments be complied with in order to correct the dominant position created on the Netherlands market in construction materials for load-bearing walls. Incorrect interpretation of Articles 1, 2 and 3(1) of Regulation (EEC) No 4064/89 and of Article 8(2) of Regulation (EC) No 1310/97 - Breach of the principle of proportionality

#### ■ **Hearing C-39/06 Commission v Germany**

##### *State aid*

Failure of a Member State to fulfil obligations - Infringement of Article 249 EC and Articles 1, 2 and 3 of Commission Decision 2003/643/EC of 13 May 2003 on the State aid implemented by Germany for Kahla Porzellan GmbH and Kahla/Thüringen Porzellan GmbH (notified under number C(2003) 1520; aid No C-62/00, ex NN 142/99) (OJ 2003 L 227 of 11 September 2003, p. 12) - Failure to have taken, within the prescribed period, the measures necessary to recover the aid which was declared to be incompatible with the common market

### SECOND CHAMBER 09.30

#### ■ **Judgment C-348/04 Boehringer Ingelheim and Others**

##### *Free movement of goods*

Free movement of goods - Use of a

trade mark by the parallel importer of a medicinal product - Change in packaging - Requirements for placing on the market laid down by the Court of Justice in Joined Cases C-427/93, C-429/93 and C-436/93 Bristol-Myers Squibb v Paranova - Interpretation

#### ■ **Judgment C-195/04 Commission v Finland**

##### *Free movement of goods*

Failure by a Member State to fulfil its obligations - Infringement of Article 28 EC - Purchase by a public undertaking of institutional kitchen equipment - Obligation of transparency

#### ■ **Opinion C-186/06 Commission v Spain** *Environment and consumers*

The text is not available in English

#### ■ **Hearing C-177/06 Commission v Spain** *State aid*

Member State's failure to fulfil its obligations - Failure to adopt, within the period prescribed, the measures necessary to ensure implementation of Articles 2 and 3 of the Commission's decisions of 20 December 2001 on a State aid scheme implemented by Spain in 1993 for certain newly established firms in Guipúzcoa (Spain) (notified under document number C(2001) 4448) (OJ L 77 of 24 March 2003, p. 1), in Álava (Spain) (C(2001) 4475) (OJ L 17 of 22 January 2003, p. 20) and in Vizcaya (Spain) (C(2001) 4478) (OJ L 40 of 14 February 2003), p. 11.

### THIRD CHAMBER

#### 09.30

#### ■ **Judgment C-135/05 Commission v Italy** *Environment and consumers*

Failure of a Member State to fulfil obligations - Infringement of Articles 4, 8 and 9 of Council Directive 75/442/EEC on waste, as amended by Directive 91/156/EEC (OJ 1975 L 194, p. 39.) - Infringement of Article 2(1) of Council Directive 91/689/EEC on hazardous waste (OJ 1991 L 377, p. 20) - Infringement of Article 14(a), (b) and (c) of Council Directive 1999/31/EC on the landfill of waste (OJ 1999 L 182, p. 1).

#### ■ **Judgment C-412/05 P Alcon v Office for Harmonisation in the Internal Market** *Intellectual property*

Appeal against the judgment of the Court of First Instance (Third Chamber) of 22 September 2005 in Case T-130/03 Alcon v OHIM dismissing an action for annulment brought by the applicant for

the Community trade mark "TRAVATAN" in respect of goods in Class 5 against Decision R 968/2001-3 of the third Board of Appeal of the Office for Harmonisation in the Internal Market (OHIM) of 30 January 2003, which had dismissed the appeal brought against the decision of the Opposition Division refusing registration of that mark in the opposition proceedings brought by the proprietor of the national word mark "TRIVASTAN" in respect of goods in Class 5.

#### ■ **Hearing C-294/06 Payir and Others** *External relations*

Preliminary ruling - Court of Appeal - Interpretation of Article 6(1) of Decision No 1/80 of the EEC/Turkey Association Council - Notion of a worker duly registered as belonging to the labour force of a Member State - Turkish national employed as an au-pair after obtaining leave to remain for two years in order to pursue that activity - Turkish national granted leave to remain to follow a course of study and to work for a maximum of 20 hours per week during the academic year

### FOURTH CHAMBER

#### 09.30

#### ■ **Judgment C-392/05 Alevizos** *Taxation*

Reference for a preliminary ruling - Simvoulio tis Epikratias - Interpretation of Article 6 of Council Directive 83/183/EEC of 28 March 1983 on tax exemptions applicable to permanent imports from a Member State of the personal property of individuals (OJ 1983 L 105, p. 64) - Scope of «normal residence» - Civil servants and officers of the armed forces posted abroad on service

#### ■ **Opinion C-451/05 Elisa** *Free movement of capital*

Reference for a preliminary ruling - Court of cassation (France) - Interpretation of Article 43 et seq. and Article 56 et seq. of the EC Treaty, and Article 1 of Council Directive 77/799/EEC of 19 December 1977 concerning mutual assistance by the competent authorities of the Member States in the field of direct taxation (OJ 1977 L 336, p. 15) - Tax on the commercial value of immovable property situated in France - Exemption of legal persons having their effective centre of management in France, legal persons which, under a treaty, are not to be taxed more heavily and legal persons having their seat in a country or

territory which has concluded with France a convention on administrative assistance to combat tax evasion and avoidance - Refusal to grant an exemption to a Luxembourg holding company

## EIGHTH CHAMBER

09.30

### ■ Judgment C-358/06 Commission v Greece

#### *Social policy*

Failure of a Member State to fulfil obligations - Failure to adopt, within the prescribed time-limit, all the measures necessary to comply with Directive 2003/105/EC of the European Parliament and of the Council of 16 December 2003 amending Council Directive 96/82/EC on the control of major-accident hazards involving dangerous substances (OJ 2003 L 345, p. 97)

## COURT OF FIRST INSTANCE

### SECOND CHAMBER

09.30

### ■ Hearing T-60/05 Ufex and Others v Commission

#### *Competition*

Annulment of Commission decision SG-Greffe (2004) D/205294 of 19 November 2004, which rejects the complaint brought by the applicants against la Poste and the French State on the basis of Articles 82 EC and 86 EC and concerns the international express courier market.

### FIFTH CHAMBER

09.15

### ■ Judgment T-109/02 Bolloré v Commission

#### *Competition*

Annulment of Articles 1, 2 and 3 of Commission Decision C(2001) 4573 final of 20 December 2001 relating to a proceeding pursuant to Article 81 of the EC Treaty and Article 53 of the EEA Agreement (COMP/E-1/36.212 - Carbonless paper), concerning an agreement in the market for carbonless paper, and, in the alternative, reduction of the fine imposed on the applicant

### ■ Judgment T-118/02 Arjo Wiggins Appleton v Commission

#### *Competition*

Annulment of, or alternatively, reduction of the fine imposed on the applicant pursuant to Commission Decision C(2001) 4573 final corr. of 20 December 2001 relating to a proceeding pursuant to Article 81 of the EC Treaty and Article 53 of the EEA Agreement (Case COMP/E-1/36.212 - Carbonless paper), concerning a cartel on the carbonless paper market

### ■ Judgment T-122/02 Mitsubishi HiTec Paper Bielefeld v Commission

#### *Competition*

Annulment of Article 1 of Commission Decision C(2001) 4573 final corr. of 20 December 2001 relating to a proceeding pursuant to Article 81 of the EC Treaty and Article 53 of the EEA Agreement (Case COMP/E-1/36.212) - Carbonless paper), concerning a cartel on the carbonless paper market, and reduction of the fine imposed on the applicant

### ■ Judgment T-125/02 Papierfabrik August Koehler v Commission

#### *Competition*

Annulment of Commission Decision C(2001) 4573 final corr. of 20 December 2001 relating to a proceeding pursuant to Article 81 of the EC Treaty and Article 53 of the EEA Agreement (COMP/E-1/36.212 - Carbonless paper), concerning an agreement in the market for carbonless paper, or, in the alternative, reduction of the fine imposed on the applicant

### ■ Judgment T-126/02 M-real Zanders v Commission

#### *Competition*

Annulment, or alternatively reduction, of the fine imposed on the applicant by Commission Decision C(2001) 4573 final corr. of 20 December 2001 relating to a proceeding pursuant to Article 81 of the EC Treaty and Article 53 of the EEA Agreement (COMP/E-1/36.212 - Carbonless paper), concerning an agreement in the market for carbonless paper

### ■ Judgment T-128/02 Papeteries Mougéot v Commission

#### *Competition*

Annulment of Commission Decision C(2001)4573 final corr. of 20 December 2001 relating to a procedure under Article 81 of the EC Treaty and Article 53 of the EEA Treaty (Case COMP/E-1/36.212 - Photocopying paper) relating to a cartel in the photocopying paper market or, in the alternative, a reduction of the fine imposed

on the applicant

### ■ Judgment T-129/02 Torraspapel v Commission

#### *Competition*

Annulment of, or, in the alternative, reduction of the fine imposed on the applicant by Commission Decision C(2001) 4573 final corr. of 20 December 2001 relating to a proceeding pursuant to Article 81 of the EC Treaty and Article 53 of the EEA Agreement (Case COMP/E-1/36.212 - Carbonless paper), concerning a cartel on the carbonless paper market

### ■ Judgment T-132/02 Distribuidora Vizcaína de Papeles v Commission

#### *Competition*

Annulment of Commission Decision C(2001) 4573 final corr. of 20 December 2001 relating to a proceeding pursuant to Article 81 of the EC Treaty and Article 53 of the EEA Agreement (Case COMP/E-1/36.212 - Carbonless paper), concerning a cartel on the carbonless paper sector, or, in the alternative, reduction of the fine imposed on the applicant

### ■ Judgment T-136/02 Papelera Guipuzcoana de Zicuñaga v Commission

#### *Competition*

Annulment of Articles 1, 2 and 3 of Commission Decision C(2001) 4753 final corr. of 20 December 2001 relating to a proceeding pursuant to Article 81 of the EC Treaty and Article 53 of the EEA Agreement (Case COMP/E-1/36.212 - Carbonless paper) concerning a cartel in the carbonless paper market and, in the alternative, reduction of the fine imposed on the applicant

## ECONOMIC AND SOCIAL COMMITTEE

### PLENARY SESSION

see the agenda on 25 April

## Friday 27 April

## EUROPEAN PARLIAMENT

### OTHER EVENTS

■ EP Citizen's Forum on the Future of Europe

**09:00 - 19:00 Stockholm, Sweden,  
Demokratiwerkstaden, Västerlånggatan  
1**

As part of its contribution to the debate on the future of Europe and the period of reflection following the 'no' votes on the constitution in France and the Netherlands, the European Parliament is organising a series of citizen's forums to enable members of the public directly to enter the debate on the main issues. This forum, in Stockholm, will focus on cross-border cooperation against organised crime.

Participants: Anna Hedh (PES, SE) and Inger Segelström (PES, SE)

Contact: Marina Lahteenmaa, Information Office, Stockholm, 46/8 562 444 55, [marina.lahteenmaa@europarl.europa.eu](mailto:marina.lahteenmaa@europarl.europa.eu)

## COUNCIL OF MINISTERS

**COREPER I**  
*Brussels*

**POLITICAL AND SECURITY COMMITTEE  
(PSC)**  
*Brussels*

**EUROPEAN BOARD OF NATIONAL  
ARCHIVISTS - EBNA - GENERAL MEETING**  
*Berlin*

More: Following the Conference on Digital Archives, the Annual Congress of the European Board of National Archivists will serve to coordinate European organizations active in this field. Directors from the largest national archives in Europe regularly use the Congress to agree on common approaches. The Congress also provides an opportunity to coordinate European affairs within the International Council on Archives and to discuss issues of digital preservation in European countries. Contact person: Brigitte Fischer, Federal Archives, Tel: 49 (0)30 • 187 77 07 75, E-Mail: [info\(@\)instada.eu](mailto:info(@)instada.eu), [www.bundesarchiv.de](http://www.bundesarchiv.de), [www.bkm-eu2007.de](http://www.bkm-eu2007.de)

**BUGA '07 - 2007 FEDERAL GARDEN SHOW  
IN GERA AND RONNEBURG**

**27.04. - 14.10.2007, Gera, Ronneburg**  
For the first time in its more than 50-year history, the Federal Garden Show is being held from 27th April to 14th October 2007 at two different locations - the

«Hofwiesenpark Gera» and the «Neue Landschaft Ronneburg». The «Neue Landschaft Ronneburg» (Ronneburg New Landscape) is being designed as a completely new natural and adventure area, as part of one of the largest redevelopment projects in mining and environmental protection world-wide. Here the longest wooden bridge in Europe can also be seen - the «Dragon's Tail».

Contact person: BUGA 2007 Gagarinstraße 81, D-07545 Gera, tel: 49/(0)3 65/55 20 07, fax: 49/(0)3 65/5 52 00 99, e-mail: [info\(at\)buga2007.de](mailto:info(at)buga2007.de), <http://www.buga2007.de> [http://www.eu2007.de/en/Meetings\\_Calendar/Kulturveranstaltungen/April/0427RPKU53.html](http://www.eu2007.de/en/Meetings_Calendar/Kulturveranstaltungen/April/0427RPKU53.html)

## EUROPEAN COMMISSION

### TRAVEL AND VISITS

■ Mr Kallas to meet the Minister President of the Brussels Capital Region, Mr Charles Picque

■ Mr Figel' in Thessaloniki. Meeting with the Greek Education Minister, Mrs Marietta Giannakou ■ visit of CEDEFOP

■ Mr Piebalgs in Malta. Participation in the dialogue with Students on the European Commission's Energy Package - Speech at the «Energy for Europe» Conference in Valetta (St James Cavalier -Centre for Creativity) – Meeting with the Prime Minister of Malta, Dr Lawrence Gonzi (Auberge de Castille, Valetta) – Participation in the press conference (together with Mr Ninu Zammit, Minister for Resources and Infrastructure of Malta) (Valetta Airport)

■ Mr Mandelson in the United States - Participation in the EU-US Summit (Washington)

■ Mr Dimas to meet the Secretary-General of the International Maritime Organization, Mr Efthimios Mitropoulos

■ Mrs Hübner to meet the Vice President of the World Bank Europe and Central Asia Region, Mr Shigeo Katsu

■ Mrs Ferrero-Waldner to meet the Georgian Minister of Foreign Affairs, Gela Bejuashvili

■ Mrs Kuneva to visit Sofia, Bulgaria

■ Participation and speech by Mr Barrot for European Road Safety Day (Brussels)

## ECONOMIC AND SOCIAL COMMITTEE

**27 April, Brussels, EESC**

■ 2nd meeting of Sustainable Development Observatory (NAT)

**27 April, Brussels, EESC**

■ Public hearing of the Single Market Observatory (SMO) entitled «Simplification of the regulatory environment for the machinery sector»

## Saturday 28 April

## ECONOMIC AND SOCIAL COMMITTEE

**28 April to 5 May, Delhi, India**

■ Official visit of the EESC President to India to prepare the 11th bilateral Round Table next June, as well as to meet with Indian authorities and India's civil society organizations



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## INTERVIEW WITH MEP FRANÇOISE GROSSETÊTE (EPP-ED, FRANCE)

**Advanced therapies: The Vatican interferes**

By Nathalie Vandystadt

*Françoise Grossetête was the European Parliament's rapporteur for several of the dossiers relating to the regulation of medicines in the EU. And every time, she bemoaned, problems were caused by ethical questions when in fact they are the responsibility of member states under the subsidiarity principle. She also expressed her discontent that the regulation, much awaited by patients and industry, intended to create a centralised procedure at EU level for authorising gene and cell therapies and tissue-engineered products which offer much hope in treating rare diseases is blocked. The vote is now scheduled for 25 April in Strasbourg and a change of tack is possible (see separate article).*



MEP Grossetête: "Ethical rules should promote life with a capital L"

**When do you think this regulation may finally become reality?**

The decision taken by the rapporteur, Miroslav Mikolášik (EPP-ED, Slovakia) to call an end to the negotiations with the European Commission and the Council, on the grounds that the ethical amendments have not been sufficiently taken into account, implies not only that agreement cannot be reached on first reading, but also given the usual delays, that it is unlikely to be adopted before at least a year. These delays add to the already considerable delays caused by the fact that Mr Mikolášik's first report was rejected in September 2006 by the Environment, Public Health and Food Safety Committee, in itself an exception, because the ethical considerations that it wanted to introduce were judged to be unacceptable. It's a real shame for our institution, for patients who are waiting for the text to be given better access to treatment and for the European industry, which can only develop once the regulatory framework has been adopted.

**What consequences will the ethical clauses have for patients?**

They quite purely and simply forbid any centralised authorisation for products derived from human embryonic

L by supporting research and treating certain serious diseases (cancer, neurological diseases, etc) and not by obeying orders from the Vatican..

**What does the Commission's initial proposal say?**

The Commission's proposal clearly states that member states are free to decide, on ethical grounds, which products are acceptable on their territory. Based on a formal opinion from the European Parliament's Legal Affairs Committee, the ENVI Committee's Amendment 62 clarifies this aspect and guarantees that the regulation will fully respect national legislation on ethical issues.

**The rapporteur highlights the responsibility of the Legal Affairs Committee. What extra responsibilities does it have compared to the ENVI Committee?**

For this dossier, the Conference of Chairmen decided to use the procedure of reinforced cooperation between committees [Article 47 of the EP Treaty - Ed.]. As a result, the Legal Affairs Committee gives its opinion, which can go directly to the plenary session. Unfortunately, in this Parliament there is an escape route, which amounts to not taking a decision. The rapporteur has thus returned to his starting position via a very indirect route.

stem cells. Amendments 3 and 17 prevent countries from moving forward in this promising scientific domain. And what's worse, they are creating a real danger for patients' safety by excluding certain products from the very strict public health controls foreseen in the regulation. As a result, the most sensitive, complex and controversial products are being thrown to the mercy of un-harmonised standards that are sometimes not adapted to public health requirements, as is the case in certain member states.

**Your group, the EPP, is very divided on these questions...**

Some members of my group, with their convictions, are not willing to vote in favour of research and a centralised procedure which will guarantee the safety of patients. But others, Germans, Italians and Poles, backed by MEPs from the enlargement countries, are in favour of the ethical amendments. I personally feel that ethical rules should promote life with a capital

**Is agreement with the two other institutions still possible?**

We are working with Dagmar Roth-Behrendt (PES, Germany), Adamos Adamou (GUE, Cyprus) and Frédérique Ries (ALDE, Belgium), in developing a strategy to try and get a vote that will get the agreement passed. It is very unlikely that the European Parliament will get the Council to agree to much more than the text that was practically agreed in the technical compromise package. ■

**OPEN FORUM****Do high excise duties on tobacco promote a 'smoke-free Europe'?**

By **Spyros A. Pappas, Attorney at Law**

In its Environment and Health Action Plan (2004-2010), the European Commission committed itself "to encourage the restriction of smoking [...] by exploring both legal mechanisms and health promotion initiatives at both European and member state level". In pursuance of this commitment, a few weeks ago the Commission presented its green paper for a 'smoke-free Europe' as one of the priorities of the Commission's public health policy.

Already today in line with this policy objective one substantial step has been taken by some member states that support this EU goal. In order to prevent in particular young people from smoking, Austria, France, Ireland and Italy have introduced a minimum retail price for cigarettes. However, the EU Commission reacted by starting infringement proceedings against these member states, invoking the judgement in Case C-216/98 (Commission v Greece [2000] ECR I 8921) and basically arguing that the principle of free formation of prices is limited.

More specifically, the Commission acknowledged that price and tax measures constitute effective means of reducing tobacco consumption but thought that minimum prices were not necessary, since the public health objectives may be attained by increased minimum taxation of tobacco products. In other words, it based its legal conclusion on the fact that the principle of free formation of prices is limited by the imposition of minimum retail prices on cigarettes on the assumption that the measure of increased taxation of tobacco products is effective. Is this assumption true? If not, then, according to the EC Treaty provisions (Article 95(3) and 152) and the case law of the EU Court of Justice (C-376/98, Germany v EP and Council, [2000] ECR I 8419), public health considerations should prevail over the principle of free formation of prices.

In fact, this very assumption is nowadays being contested by expert centres, such as the Austrian Nicotine Institute, whose experts have been dealing with smoking prevention for more than thirty



**Spyros A. Pappas**

years, as well as by recent studies. One of them, published by KPMG in April 2006 in Austria, concluded that increased taxation of tobacco products is not suitable to attain public health objectives on the grounds that such means do not avoid price dumping. As a matter of fact, recent developments – such as in 2006 in Spain – show a new behaviour on tobacco markets. In order to keep up market shares, the tobacco industry does not always pass on tax increases to consumers. In other words, industry decides to rather minimise its profit than to raise cigarette prices according to tax levels. The financial source for price support is the money formerly earmarked for advertising that has been shifted to other fields, as well as profits from other brands or even other markets.

Moreover, long-term studies on smoking practices prove the interdependence which exists between price increases and the decrease of cigarette consumption:

- A 28-year survey on smoking practices in Austria (Kunze-Wörgötter: 'Cigarette prices and cigarette consumption in

Austria', 1955-1983, 1986) shows that a 1% increase in tobacco prices decreases tobacco consumption by 0.5%.

- Another recent study (Gallus: 'Price and cigarette consumption in Europe', published in 2006 at [www.tobaccocontrol.com](http://www.tobaccocontrol.com)), which has been reviewing 86 different studies from 52 European countries on price and cigarette consumption, comes to a similar conclusion: a 10% increase in the real price of cigarettes decreases smoking consumption by 5-7%.

- And a recent Canadian study (Zhang et al: 'The impact of tobacco tax cuts on smoking initiation among Canadian young adults', 2006) proves that in particular young people are sensitive to cigarette prices and reduced cigarette prices lead to increased smoking initiation among young adults.

In the light of the above, the question arises whether the European Commission should, in the context of the 'Health in All Policies' motto

of the recent Finnish EU Presidency and the recent evidence, read in a different manner the invoked case law of the ECJ, reconsider its assumption on the increased taxation of tobacco products and, instead, concede the minimum price of cigarette policy to those member states that consider it the most substantial means to pursue the goals of their national health policy, while stimulating the other member states to also adopt similar measures? In this way, it would also be consistent with the Recommendation of the European Council on Smoking Prevention (2003/54/EC) and the WHO Framework Convention on Tobacco Control (ABL L213, dated 15 June 2004) – that has been ratified by the EU and its member states – which oblige EU member states to introduce price measures for tobacco products. ■

*Attorney at Law Spyros A. Pappas is a member of the Athens and Brussels Bars and former director-general at the European Commission*