



### HEADLINES

#### **EU/ Spring Summit : commitment to Lisbon process reaffirmed**

Overshadowed by war concerns, the Spring European Council, held on 20-21 March, only produced a renewed commitment to the Lisbon agenda. During the only session not dedicated to Iraq, European leaders reiterated their willingness to bring the promises made in Lisbon in 2001 into action, including raising employment levels and cohesion, promoting entrepreneurship and innovation, and modernising the European Social Model.

The only concrete decision taken on Friday 21 March was to launch a European Employment Taskforce to boost labour market reforms. The new team will be asked to examine the key challenges facing the labour markets and to propose new reform instruments to help the implementation of the revised European Employment Strategy.

More info:

<http://ue.eu.int/newsroom/makeFrame.asp?MAX=1&BID=76&DID=75136&LANG=1&File=/pressData/en/ec/75136.pdf&Picture=0>

#### **EU/ Taxation: Move on energy taxation but no agreement on taxation package**

The EU finance ministers reached a political agreement on an energy tax directive during the Spring Summit on 20th March. This is a significant breakthrough given that the issue has been discussed for more than six years. The agreement, which foresees minimum levels of taxation at EU level for all energy products, was made possible by concessions made by Austria.

However the leaders failed to reach a compromise agreement on the taxation package because of Italy's blocking position on a dispute over milk quotas. The Italians had previously given their green light to an accord on harmonising tax on energy products, but linked their support for the savings tax package with a request for concessions on milk quotas. Italy has to pay a Euro 648 million fine because its farmers exceeded the national quota for milk production. The deal on savings taxation has triggered divisions among EU Member States since the very beginning of the 1990s. There will be no opportunity to discuss the issue again before May.

More info:

<http://ue.eu.int/newsroom/makeFrame.asp?MAX=1&BID=76&DID=75136&LANG=1&File=/pressData/en/ec/75136.pdf&Picture=0>

#### **EU/Consumers: EP supports Commission's priorities but calls for concrete measures**

The EP gave its green light to the Commission on the future Consumers Policy by adopting three related non-legislative reports during the last plenary session. It calls for concrete actions to implement these policy goals but opposes a maximum harmonisation of national legislation. The

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Whitehead report (PES, UK), on the Consumer Policy Strategy for 2002-2006, endorsed the objectives set by the Commission (high level of consumer protection, effective application of consumer protection legislation, and better involvement of consumer associations). However it pushes for concrete actions to be taken in various fields, such as the safety of services, products labelling requirements, e-commerce, and access to information on consumer rights. Following the recommendations made by the Patrie Report (PES, France) on the impact of the Green Paper on consumer protection, the EP stresses the need for more favourable consumer clauses, for example through a “consumer loyalty” clause, and suggests to adopt a framework directive on the harmonisation of sales practices, along with vertical legislation on specific practices (i.e. sales promotions).

The report by Marianne Thyssen (EPP-ED, Belgium), on the future of the legal rights of the consumer in the light of the Green Paper on consumer protection, was also endorsed. It calls for a simpler legislation that would be easier to implement, for strict sanctions to be taken against any infringement of a code of conduct, and for a link to be made between the framework directive on consumer protection and the regulation on sales promotions.

More Info:

<http://www2.europarl.eu.int/omk/sipade2?PUBREF=-//EP//TEXT+PRESS+DN-20030313-1+0+DOC+XML+V0//EN&LEVEL=2&NAV=S>

### **EU/ Research & Biotech: Brain drain threatens EU innovation and competitiveness**

A recent Eurobarometer survey on “Europeans and Biotechnology” warned about the growing brain drain to the US of postgraduate Europeans. The figures show that three out of every four Europeans who complete a doctorate in the US in the biotechnology field will be working there instead of returning to their home country. Whilst the proportion of workers with postgraduate qualifications is a little higher in Europe than in the US, researchers amount for only 5.4 out of every 1000 staff in Europe, against 8.7 in the US.

The reasons behind this gap are threefold. First, the European biotechnology companies are lagging behind their US counterparts in terms of patenting and marketing on innovation. Secondly, research and development public spending makes up 1.9% of EU GDP, against 2,8 % in the US. Thirdly, increasing public opposition to GM crops has led GM companies to leave the EU or to cancel GM research projects. Indeed, 61% of EU private biotech companies acknowledge having cancelled GMO research schemes in the last 4 years.

More info:

[http://www.europa.eu.int/comm/public\\_opinion/archives/eb/ebs\\_177\\_en.pdf](http://www.europa.eu.int/comm/public_opinion/archives/eb/ebs_177_en.pdf)

### **EU/Social Affairs: Mid-term review of the European Social Policy Agenda**

A conference on the midterm review of the European Social Policy Agenda was organised by DG Employment and Social Affairs in Brussels on 19/20 March. The European Social Policy agenda, a roadmap on how to reform the European social model until 2005, was endorsed at the Nice Council in December 2000, following a Communication of June 2000.

At this conference, the Commission presented several studies stressing the value of social policy, and emphasising the costs of “non-social policies”. The Commission is expected to adopt a communication on the mid-term review of the Social Policy Agenda in May or June 2003.

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More info:

[http://europa.eu.int/comm/employment\\_social/news/2003/jan/costofnonsoc\\_final\\_en.pdf](http://europa.eu.int/comm/employment_social/news/2003/jan/costofnonsoc_final_en.pdf)

### IN BRIEF

#### **EU/ Socials Affairs: Persistent working time differences among EU countries**

According to a recent survey conducted by the Dublin based European Foundation for the Improvement of Living and Working Conditions, there are still significant differences in working hours among EU countries. Average weekly working hours are the longest in Greece, Portugal, Finland, Luxembourg, Ireland and Belgium (between 39 and 40 hours), whereas workers in France, the Netherlands and Denmark work the shortest hours. The average collectively agreed weekly working hours in the EU and Norway amount to 38.2 hours.

More info:

<http://www.eiro.eurofound.eu.int/2003/03/Update/TN0303103U.html>

#### **EU/ Liberal Professions: Commission waiting for comments on regulation of liberal professions**

Faced with an increasing number of questions related to the application of competition rules to liberal professions, the Commission recently commissioned a study on regulation of liberal professions. This is to help decide whether EU citizens would gain if architects, lawyers, notaries, accountants, engineers and pharmacists were less regulated. The independent study concludes that there is a trend throughout Europe towards less regulation. However, contrary to widespread fears, the study has not found any link between less regulation and less protection for consumers. The study is available on the Commission's Competition DG internet webpages. Replies are expected by the end of May.

Read the study:

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

#### **EU/ Environment: Second reading of Packaging Directive started**

The EP has undertaken last week the second reading of the draft directive on packaging and packaging waste, after the Council agreed on a common position on 6 March. The Commission's proposal, issued in December 2001, is thought to revise Council directive 94/62/EC on packaging and packaging waste. The position of the Council foresees a postponement of the deadline for taking the measures needed to achieve the revised recovery and recycling targets until 31/12/2008, a maximum target of 80% for the recycling of packaging waste and ,no maximum target for recovery. The deadline for amendments is 28 April. The vote in the Environment Committee (Rapporteur Dorette Corbey, PES, NL) is expected for 21/21 May and the vote in plenary should take place in June. A consultation meeting to prepare a study on the evaluation of the implementation of Directive 94/62/EC is organised by the Commission on 27th March.

More info:

[http://europa.eu.int/eur-lex/en/com/pdf/2001/com2001\\_0729en01.pdf](http://europa.eu.int/eur-lex/en/com/pdf/2001/com2001_0729en01.pdf)