



EU Facts Update: developments in the EU (December 2008)

European Council - EU Summit: 11 - 12 December 2008

The European Council met for a summit in mid-December. The Council (made up of the Heads of State and Government of EU Member States, and the President of the EU Commission) meets for summits up to four times a year to discuss EU policy and any controversial issues that may arise. Belgian police seized 14 al-Qaeda suspects hours before the December summit was due to begin in Brussels. Because France holds the rotating EU Presidency until January 2009, French President Nicolas Sarkozy was the summit chairman. He said the summit was "quite historic".

EU Energy and climate package: Environmental targets

At the December Summit, EU leaders debated ambitious climate change targets. They agreed to stick to the EU's "20-20-20 plan" (20% more renewable energy use, 20% less overall energy use and 20% less carbon emissions all compared with 1990 levels). Member states can decide further targets. EU Commission President Jose Manuel Barroso called the package "the most ambitious proposals anywhere in the world". The summit discussed the specifics of the EU's Emissions Trading Scheme (ETS) which attempts to reduce carbon emissions generated by industry by compelling them to buy permits that allow them to produce certain levels of CO₂. However, there was concern that the scheme could hinder productivity in heavy industry. Poland was particularly concerned about the target for increased renewable energy use (biofuels, hydrogen, green electricity) because Poland does not have a lot of renewable resources. Italy was keen for a full EU targets review to take place in 2014. In the UK, the Climate Change Secretary said that the UK would be prepared to break the EU air pollution laws to build a third runway at Heathrow airport.

European Economies

The December EU summit agreed to a €200bn (£180bn) economic recovery package to lessen the huge global economic problems. The European Central Bank cut its interest rate. The EU also relaxed rules about state aid (when states give extra money to help businesses) and relaxed the budget deficit rules for 2009-2010, allowing governments to borrow more money to help solve the economic crisis. However it ruled out enforcing tax cuts or changing the EU budget. Despite these measures there was a real risk of deflation in the eurozone throughout December.

A Presidential row

The Czech Republic will hold the EU Presidency for the first half of 2009, taking over from France. The Czech Prime Minister - who will hold the EU Presidency - said that the Lisbon Treaty is "not one of the priorities of our presidency". Also, the Czech President Václav Klaus is a vociferous euro-sceptic; he refused demands to fly the EU flag over Prague castle. French President Nicolas Sarkozy refused to attend the official EU Presidency handover.

Lisbon Treaty

Following the December EU Summit, Ireland's Prime Minister (Taoiseach) Brian Cowen announced that Ireland will hold a second referendum on the Lisbon Treaty despite the Irish people having rejected the Treaty at a referendum in June 2008. Mr Cowen promised that Ireland will ratify the Treaty by the end of 2009. The EU hopes to ratify the Lisbon Treaty before Croatia joins the EU in 2010, arguing that the Treaty will "streamline EU decision-making". However, sceptics have criticised that the new Treaty will reduce the power of Member States and that holding a second Irish referendum is an example of the EU ignoring the democratic will of the Irish people. To encourage the Irish people to vote "Yes" to the Treaty, Brian Cowen will negotiate certain compromises to the Treaty before the second vote. Possible concessions include guaranteeing that the EU will not change Ireland's abortion laws, independence on tax and defence, and ensuring that Ireland keeps its Commissioner (the Lisbon Treaty will currently shrink the Commission so that only two thirds of member states have a Commissioner). The Czech Parliament and Poland's President have also not yet ratified the Lisbon Treaty.

EU first ever naval operation

The first ever EU naval operation began on 8th December to tackle piracy off the coast of Somalia.

EU promises €1 billion food aid to developing countries

In 2008-2010, a €1 billion EU Emergency Food Aid fund will be spent to counter soaring food prices in developing countries. The money will come from excess funds from the EU's Common Agricultural Policy (CAP). Some Member States opposed using the excess money in this way because of the on-going global economic problems. Next year, the EU will renegotiate how much money Member States contribute to the CAP; in 2008/9 the UK paid £2bn; in 2010/11 it is expected to pay £6bn.

“Safe” chemical levels to be reviewed

The EU will review its policy on the levels of chemicals in cosmetics, toys and cleaning products to ensure that levels are safe for human exposure.

European Court of Justice DNA case Ruling

The European Court of Justice (ECJ) ruled that DNA from suspects who are later found innocent must be destroyed. This could have huge implications for the UK, which must now destroy many DNA samples.

EU Working Time Directive

The EU's Working Time Directive says that workers cannot work more than 48-hours per week. However the UK negotiated an opt-out from the Directive in 1993 so that British workers could choose to work longer hours. The UK later reached a compromise with the EU and agreed to accept the EU's Temporary Workers Directive (which increased the rights of temporary workers) in return for keeping its Working Time opt-out. However in December 2008 the European Parliament voted to end the UK's Working Time opt-out. This could have huge consequences for the UK economy at a time when it faces a severe recession. For example the NHS will be badly affected because doctors' on-call hours will be included in the 48-hour limit, which will force it to pay for more staff.

EU Commission spent €100,000 taxpayers' money on office coffee machines

Immigration policy reform

Commission President Barroso called for the EU's immigration policy to be reformed. This includes the Dublin regulation, which allows member States to send asylum seekers back to where they first landed in the EU. Reform was suggested because Malta and Greece have complained about being overburdened by refugees.

Member states:

Germany: The German finance minister attacked the UK government's economic policies to deal with the recession.
Greece: Following the police shooting dead a 16-year-old boy there were riots in Athens and across the country. There was also a general strike to protest against economic policies. Greek Prime Minister Costas Karamanlis refused to call an early election.

Belgium: The Council of Europe criticised the linguistic feud in Belgium. The feud came to a head in December when Prime Minister Yves Leterme resigned (he tried to resign earlier this year, but was refused by King Albert).

Romania: The opposition Social Democrats Party (PSD) won the Romanian General Election with 36.2% of the vote. The right-wing Liberal Democrats Party (PDL) favoured by Romanian President Traian Basescu came a close second with 30.5% of the vote. The 39.3% turnout was the lowest since 1989. Priorities for the new government include fighting corruption and reforming the judiciary.

Ireland: High levels of dioxins were found in pork products from Ireland as a result of contaminated feed.

Non-EU states:

Switzerland: Joined the Schengen zone, allowing free movement between national borders. Switzerland will hold a referendum on 8th February 2009 to decide whether to extend the free movement of labour to include Romania and **Bulgaria**. It will be the country's 6th vote on its relations with the EU.

China: cancelled a summit with the EU in protest because EU President (French President Nicholas Sarkozy) met with the Tibetan Leader, The Dalai Lama in the same week.

Georgia and Ukraine: will eventually join NATO, but the EU did not give a specific schedule for their gaining membership.

Russia: The EU reopened Partnership Association Negotiations with Russia despite stopping relations following Russia's aggression in Georgia. Many states did not want to restart negotiations because Russia has not completely withdrawn from Georgia.

Israel: The EU called for Israel to stop its military airstrikes in the Gaza strip, which caused huge loss of life.