

## *EU Institutions and Law*

### **Tussles with Brussels...**

The actions of the European Union arouse a lot of controversy. Many people feel that it interferes with British affairs that are none of its business, whilst others think that the EU is a sensible response to political problems of an increasingly international nature.

Whatever your opinion of the European Union, it is important to understand how it affects your life through its institutions and laws.

This section starts with a summary of the key activities of the main EU institutions, there is then a short explanation of the different types of EU law, and it concludes by looking at other EU institutions.

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- Other EU Institutions

### **Key EU Institutions**

#### **1. The European Parliament**

The only directly elected EU body, it is made up of 626 Members of the European Parliament (MEPs) who are elected every five years under a system of proportional representation. Most of the work of the European Parliament is conducted in Brussels where MEPs meet in various committees but its full monthly plenary meetings take place in Strasbourg.

The European Parliament has 3 main roles:

- It passes laws affecting the EU in collaboration with government ministers from Member States sitting in the Council.
- It exercises democratic scrutiny over all EU institutions, and in particular the Commission. It has the power to approve or reject the nomination of Commissioners, and it can call for the resignation of the Commission as a whole.

- It shares with the Council authority over the EU budget and can therefore influence EU spending. At the end of the approval procedure, it adopts or rejects the budget in its entirety.

*NB. Why does it have two sites?*

Ask the French - for it was Presidents Mitterrand and Chirac who vetoed the proposals for the European Parliament to conduct all its business in Brussels as most others preferred.

## **2. The European Commission**

The 'workhorse' of the European Union, the European Commission is made up of Commissioners appointed by the Member States. It is headed by a President, currently Italian Romano Prodi, and Neil Kinnock is one of its Vice Presidents. They are based in Brussels and are serviced by 16,000 permanent staff (smaller than most UK government departments).

The European Commission has the power to:

- Propose laws for the European Parliament and the Council to agree, amend or reject.
- Oversee the implementation of EU policies and the budget.
- Enforce European law (jointly with the Court of Justice).
- Represent the EU on the international stage, for example, in trade negotiations.

The European Commissioners are expected to act independently of their country of origin and consider only the interests of the European Union as a whole.

But the Commission doesn't always get things its own way. The European Parliament can force it to resign like it did in 1999 when the Commission headed by Jacques Santer resigned on mass after claims of financial mismanagement. The Commission's behaviour is also governed by the principle of subsidiarity which means that the European Union should only take action when this is more effective than similar activity taken at a more local level.

### **3. The Council of the European Union (formerly known as The Council of Ministers)**

The Council is made up of government ministers from each Member State. Its Presidency is held by each Member State in turn for six months. The Presidency country chairs all Council meetings and decides, in consultation with the European Commission, the policy agenda of the EU. Ireland currently holds the Presidency and after 1st July The Netherlands takes over.

The Council has the power to:

- Pass European laws. In most fields it legislates jointly with the European Parliament.
- Co-ordinate policies on everything from agricultural subsidies to immigration and foreign policy.
- Conclude international agreements.
- Approve the EU's budget, jointly with the European Parliament.

Each Presidency hosts at least one summit for Heads of Government and the President of the European Commission to discuss the big issues of the time and to agree broad policy. This meeting is known as *The European Council*.

*NB. The Council of the European Union is not...*

- *The Council of Europe* - which was founded in 1949 to promote cultural diversity, democratisation and human rights.

#### **EU Law Made Easy.**

#### **A Law of Many Guises**

Anything but easy, the processes and minutiae involved in EU law have been known to baffle even seasoned Brussels eurocrats. And they are *paid* to understand it...

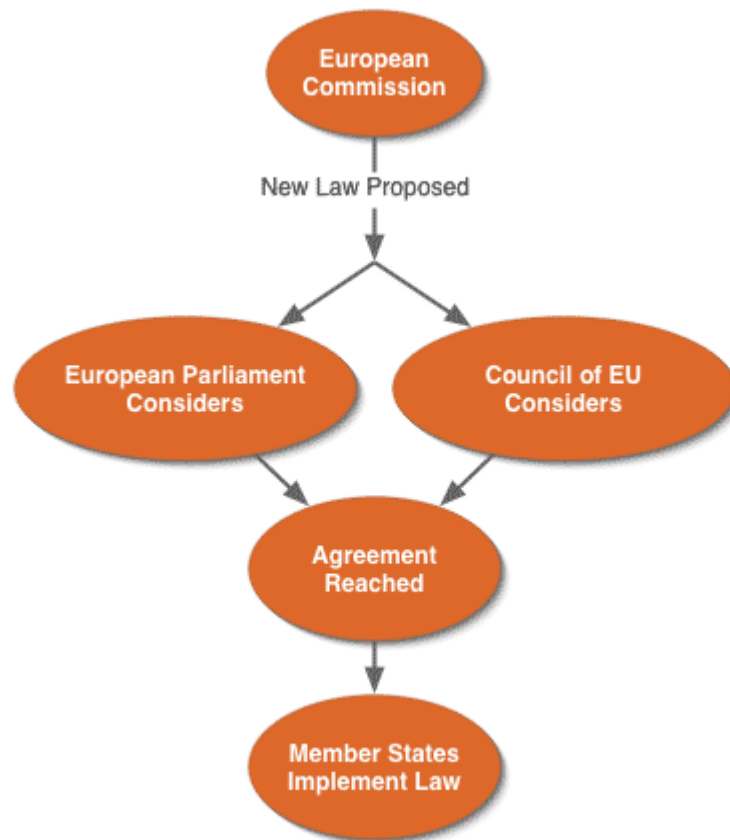
...The main thing to bear in mind here, however, is that EU laws can be divided into 4 basic types:

1. **Regulations:** These come into force throughout the EU from the moment they are passed at European level without the need for national legislatures to take any measures to implement them. Most regulations are initiated by the Commission and relate to highly specific and technical adjustments to existing EU law.
2. **Directives:** EU directives bind all Member States to an *overall objective* to be achieved but leave the question of *how* to achieve this goal for national authorities to decide. Some Member governments like the UK have a tradition of implementing directives in a very precise way and even adding rules to them (called 'gold plating') whilst others, who will remain nameless, seem to take forever to translate them into action if at all...
3. **Decisions:** A decision is binding in its entirety upon those to whom it is addressed. This may be any or all Member States, an undertaking (e.g. a company) or even an individual.
4. **Recommendations and opinions:** These are not legally binding.

### **The Life Cycle of a Typical EU Directive**

A typical EU directive starts life as a proposal from the European Commission. It is then passed to the Council of Ministers which represents all of the elected Governments of Member States. Most directives also go to the directly elected European Parliament which has the power to amend or reject. Once the Council and the European Parliament have reached agreement on the proposal it then goes to the Parliaments of Member States for adoption before it takes effect as European law.

The following diagram gives an overview of this process:



### **Other EU Institutions**

#### **► The Court of Justice of the European Communities (also known as the European Court of Justice)**

Based in Luxembourg, The European Court of Justice interprets EU law in cases brought to it by Member States or EU institutions. Individuals and companies may also seek a ruling or legal opinion from the Court if their case is referred to it by a national court.

*NB. The European Court of Justice is not...*

- *The European Court of Human Rights* - which is linked to the Council of Europe not the European Union. This is charged with defending human rights and is based in Strasbourg.
- *The International Court of Justice* - which is linked to the United Nations and correspondingly rules on UN law. This is based in The Hague.

▶ **The European Court of Auditors**

Responsible for checking that the European Union spends its money according to its budgetary rules and for the purposes for which it is intended.

▶ **European Central Bank (ECB)**

Charged with managing EU monetary policy and the euro. The ECB's Governing Council consists of its Executive Board and the governors of the eurozone's 12 Central Banks. Its General Council, on the other hand, is an advisory and co-ordinating body made up of the ECB's President, Vice-President and the governors of the central banks of all Member States.

▶ **European Investment Bank (EIB)**

Responsible for longer-term economic development and capital investment. The EIB disbursed its first loan in 1959 and the volume of its annual lending makes it the largest international financing institution in the world.

▶ **Economic and Social Committee**

A 'talking shop', this consultative body is made up of a broad cross-section of society including employers, professional bodies and employee representatives.

▶ **Committee of the Regions**

Another consultative body established to ensure that EU institutions take account of the views of local and regional representatives who advise on EU policy proposals that concern them directly.

▶ **The European Ombudsman**

Elected by the European Parliament for the duration of its five year term of office the European Ombudsman deals with complaints from individuals or organisations concerning maladministration by institutions and bodies of the European Community. He's kept busy...