

JULY PLENARY 2011

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**STRONG CRITICISM OVER RATING AGENCIES' "QUESTIONABLE" BEHAVIOUR**

Leading Euro lawmakers voiced outrage at continuing attacks by ratings agencies on European economies. The latest – Moody's reduction of Portuguese debt to junk status – led once again to calls at the European Parliament meeting in Strasbourg for the creation of an independent European ratings Agency and measures to regulate the activities of ratings agencies in general. Said S&D Group leader Martin Schulz said to the media: "We have to stop the ratings agencies from making the weather on financial markets. They operate in the shadows. We do not know who is behind them, whose interests they serve or on what criteria they base their ratings. They have immense power and they inflict untold damage on our economies. But they are free of all control."

"Three agencies influence more than 90 % of the market. The fact that EU countries seem to be systematically targeted, while other countries with gigantic debt problems such as the US get away scot-free raises questions about the independence of these agencies. That is why we urgently need the creation of a European Agency. It is time for the Commission to take its responsibilities and act in defence of our European economies."

**BORDER CHECKS WITHIN THE EU CANNOT BE AN ELECTORAL WEAPON**

Parliament is very critical of moves by several Member States to reintroduce border controls. In the resolution, adopted in Strasbourg by a large majority, it underlines its "firm opposition to any new Schengen mechanism with objectives other than those of enhancing freedom of movement and reinforcing EU governance of the Schengen area". The current Schengen Borders Code provides for the possibility of reintroducing internal border controls "only where there is a serious threat to public policy or internal security", points out the resolution. The Commission is asked to present without delay an initiative aimed at defining the "strict application" of the current rules by the Member States. MEPs insist that any new additional exemptions, such as new grounds for reintroducing border controls, "would definitely not reinforce the Schengen system".

S&D Group leader Martin Schulz said that "Recent moves to reintroduce border controls have nothing to do with combating organized crime, but a lot with the upcoming election campaigns. The abolition of customs controls and the freedom to travel in the EU without having to show your passport is one of the greatest achievements of European integration

and highly cherished by EU citizens, especially the hundreds of thousands of commuters crossing borders every day. For further information: [Adopted Resolution](#)

## **THE POLISH PRESIDENCY OFFERS HOPE**

The answer to the crisis is more Europe," Polish Prime Minister Donald Tusk said, while presenting his country's Presidency programme to the Parliament. In a speech centred on Europe's common values and future, Mr Tusk strongly defended European integration and solidarity "within and between member states". The Polish Presidency of the EU Council runs from 1 July to the end of December. S&D Group leader Martin Schulz held out hope for European recovery under the direction of pro-EU policies of Polish Premier Donald Tusk.

In Donald Tusk "we have a President who says Europe is part of the solution, not the problem," he said. "Europe is suffering. (Governments) believe that national measures can resolve the problems" and insist on "blaming the institutions even though it is the governments that take the decisions", which shows "the gap between reality and political rhetoric", he added.

## **HUNGARIAN CONSTITUTION NEEDS MORE EXPLICIT FUNDAMENTAL RIGHTS PROTECTIONS**

The new Hungarian constitution, adopted in April this year, should explicitly protect all fundamental civil and social rights, says a resolution adopted by the European Parliament by 331 votes to 274 with 54 abstentions. These rights include the ban on the death penalty and on life imprisonment without parole, and the prohibition on discrimination on grounds of sexual orientation. In addition, the Commission should conduct a thorough review of the new constitution, and check whether it is consistent with the letter and spirit of Treaties and the Charter of Fundamental Rights, says the adopted text.

The Hungarian authorities should also "explicitly guarantee in the Constitution that Hungary will respect the territorial integrity of other countries when seeking the support of ethnic Hungarians living abroad," reads the resolution. This is an issue of quite some importance to Hungary's neighbours, some of whom have significant Hungarian minorities living within their borders.

The Venice Commission, an advisory body to the Council of Europe on constitutional matters, just released an opinion on the new Hungarian constitution in late June. It makes several recommendations regarding the text, many of which were echoed in the Parliament's resolution adopted in Strasbourg. Further information click on July 5th: [Adopted Resolution](#)

## **IN SHORT**

**More Europe to Protect Against Fresh Crises** - Shifting policy making and spending in cross-border areas such as energy and transport from national to EU level would improve investment returns and cut costs by generating economies of scale. It would also give an urgently-needed boost to EU competitiveness, says the final report from the EP's Special Committee on the Financial, Economic and Social Crisis. This non-legislative resolution drafted by S&D Group Member Pervenche Berès sets out a wide range of ambitious recommendations including a call for the creation of a European Treasury. The EU Treasury would be headed by a high representative for the euro who would also be a vice-president of the European Commission. It also asks the Commission to look into a system of Eurobonds to reduce sovereign debt and stimulate fiscal discipline. Youth unemployment, social cohesion and slowing growth are among the issues addressed by

resolution, passed by with 434 votes in favour, 128 against and 33 abstentions. Further information: [Adopted Resolution](#)

**Women in Management Positions** - Women should make up 30% of top management in the largest listed EU companies by 2015 and 40% by 2020, says the Parliament. If voluntary measures fail to boost the number of women in senior positions, EU legislation must be used. The resolution was adopted with 534 votes to 109 with 29 abstentions. Further information: [Adopted Resolution](#)

**Honest Food Labelling** - Key nutritional and country-of-origin information will soon be mandatory on food products in the EU, according to a report voted by the Parliament this week. The S&D Group supported the agreement reached with the Council but announced that this is only the first step. The Group will continue to fight for more transparency and for an EU-wide ban on added trans fats. S&D spokesperson on the issue Euro MP Glenis Willmott said: "For the first time it will be mandatory to include information on how much sugar, salt, fat and other key nutrients a product contains. We have also convinced the Council that the Commission should produce a report and possible legislation on the origin of meat in processed food within two years. The issue of trans fats is also of great concern to the S&D Group. They are often added unnecessarily to processed foods even though they can increase risk of a whole range of problems including obesity, heart disease, infertility and Alzheimer's disease. Further information: [Adopted Resolution](#)

**National right to Cultivation Bans on GMOs** - Member States should have the flexibility to ban or restrict the cultivation of genetically modified crops and should be able to cite environmental motives for doing so, according to MEPs voting on draft legislation in Strasbourg. Jo Leinen, S&D Group Member and chairman of the Environment Committee, said that: "A law regulating cultivation of GMOs has long been needed to provide a proper legal basis for farmers, producers and retailers. Unlike other countries, such as the USA or Brazil, EU citizens are suspicious of GMOs. It would have been unfair to make member states accept these crops. This law goes in the right direction: it protects freedom of choice for farmers and consumers. Member states will be obliged to prevent contamination of GMO-free crops and other products on their territory and in the border areas of neighbouring member states." The report which was adopted with 548 votes in favour, 84 against and 31 abstentions will now go to the Council. Further information click on July 5th [Adopted Resolution](#)

**S&D Group Blocks Conservative Climate Policy Proposal** - Thanks to a strong S&D vote, the Parliament rejected a draft resolution on EU climate policy which would have weakened Parliament's commitment to an EU target of a 30% greenhouse gas reduction by 2020. In the final vote, there were 258 votes in favour, 347 against and 63 abstentions. EP's position on climate policy therefore remains the resolution voted in 2010, which called for an unconditional 30% greenhouse gas reduction target. The main progressive Group in the Parliament criticised the Conservatives for their lack of commitment to tackling climate change and for undermining both the EU's credibility in global negotiations and EU's economic recovery. Dan Jørgensen, S&D spokesperson on this issue, said: "Conservatives still don't understand that our fight against climate change is not only good for the environment but also an effective stimulus for the EU economy and job creation. Eco-industries employ approximately 3.4 million people and raising the climate target to 30 % foster up to 6 million additional jobs in the EU. We hope that the Polish presidency will be committed to the EU's ambitions for the environment."

**EU to crack down on cross-border traffic offences** - Members gave a green light in Strasbourg for traffic authorities in most EU states to punish foreign drivers who commit driving offences while on their soil -- even once they return home. The proposed legislation would allow national agencies to exchange information about traffic offences. "After more than three years of debate, this agreement is a first, very important step towards ending the sense of impunity by some drivers," said S&D Group legislator Ines

Ayala Sender, who led discussions on the issue in the EP. The system would allow foreign drivers to be identified, so they can be sent a letter requiring traffic fines to be paid to the local authority where the crime was committed. The legislation targets serious offences such as driving under the influence of alcohol or drugs, speeding, driving without a seatbelt or failing to stop at a red traffic light.

**Strict Safeguard for Body Scanners** - Body scanners should be allowed at EU airports only if the health, dignity and privacy of passengers are protected, says the Parliament in a resolution passed by a show of hands in Strasbourg. Further information: [Adopted Resolution](#)

**Saving Lives with 112** - Raising public awareness of EU emergency phone number could save lives this summer, said Parliament. But the accuracy and reliability of caller information still need to be improved, it added. A Eurobarometer survey published in February 2011 found that only 26% of EU citizens can spontaneously identify 112 as the number to call in an emergency abroad. The report drafted by S&D Group Member Sylvana Rapti and approved by a show of hands, says that Member States should publicise the number in doctors' surgeries and pharmacies, schools and universities, airports and train stations. The 112 number can be called free of charge and is reachable from fixed and mobile phones anywhere in the EU. Further information click on July 5th [Adopted Resolution](#)

**EU aid for Redundant Danish Workers** - Danish workers made redundant by LM Glasfiber and Odense Steel Shipyard will get help worth €20,429,316 from the EU Globalisation Adjustment Fund to find new jobs. The aid, approved by the House, will benefit 1,775 workers.

**EP Takes a Position on Derivatives, Short Selling & Investors Compensation** - Three proposals making derivatives trading less fragile, reducing speculative practices linked to short selling and reducing the time for the setting up of investor compensation schemes received Parliament's backing this week ahead of negotiations with Member States. With very significant differences expected between the position of the EP and, once adopted, that of Member States for the directive on investor compensation schemes, Members chose to close the first reading procedure. In the case of the two texts on derivatives and short selling, however, the plenary vote was only used to collect significant majorities which should strengthen the hand of MEP negotiators in their ongoing talks with Member States. The report on investor compensation schemes was adopted by 566 votes to 17 with 88 abstentions. The reports on derivatives and short selling were both adopted by a show of hands and the respective final votes were postponed. Further information click on July 5th [Adopted Resolution](#)

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