

# THE EUROPEAN

Issue 1 - July 2009

## The European Movement in London Newsletter

### Committee news

The summer has been quite active so far. We held our AGM on 10 June, elected a new Chairman and Committee, adopted a new name and we are now working on a series of initiatives and activities to connect with our members and reach out to new ones. This newsletter is just one of those initiatives. We hope you enjoy it and we look forward to receiving your contributions for future issues.

### The Committee

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### European Elections results

As the dust settles after the European elections, we can finally look through the clearing mist at how the new Parliament has rearranged itself in the face of continued voter apathy.

MEPs were voted in by just 43% of the EU electorate - the lowest turnout since direct elections to the European Parliament began in 1979. The number of MEPs in the new Parliament has slimmed down from 785 to 732, which has put even more pressure on the mainstream parties fighting to maintain their representation in Brussels.



Source: European Parliament

If predictions before the elections pointed to big losses for the main parties, the actual result was not quite so dramatic. Of the three main parties, the biggest loser was the Party of European Socialists (PES), dropping from 217 to 161 seats. Even taking the seat reduction into account, the PES result is symptomatic of a move towards right of centre parties in these elections, including election of extremist parties in hitherto unaffected member states such as the UK. Nevertheless, in a strategic move the PES incorporated the Italian Partito Democratico MEPs, changing its name in the process to the Progressive Alliance of Socialists and Democrats. This move has increased the number of MEPs that fall under its banner to 184.

The EPP-ED held its membership fairly steady, gaining 264 seats, only 23 less than before the elections. The Green/European Free Alliance group has made impressive gains, returning to Parliament with 53 seats, 10 more than pre-elections.

The Alliance of Liberals and Democrats for Europe (ALDE) remain the king makers of the European Parliament, as the third biggest group with 84 seats. Headed by their new leader, Guy Verhofstadt, (the former Belgian Prime Minister), ALDE is bound to wield its influence as actively as ever. The former leader, Graham Watson, has stepped down to seek election to the Presidency of the European Parliament.

However, the most interesting story of the new Parliament, if only from a UK perspective, is the birth of the new group founded by the British Conservatives. The Tories have managed to find MEPs from eight countries (the minimum is seven) to create the European Conservatives and Reformists Group (ECRG). This new grouping currently has 55 members, five of whom are from five different member states. This makes for a precarious coalition, and one which will be closely watched to see if it topples before the Brussels community notices that it existed in the first place.

For the full EP election results in the UK please [click here](#).

*Rebecca Wright*

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### [EU to focus on climate change over next six months](#)

Sweden took over on 1 July 2009 its six-month rotating presidency of the European Union. The Swedish government has announced that the main focus of its six months at the helm of the EU will be climate change, alongside dealing with the aftermath of the financial crisis.

Collective action on climate change at EU level can produce more and better results than individual Member State initiatives. The EU has been for years now a global leader in measures to combat climate change and EU co-operation in this area is a clear proof that the EU can add value.



se2009.eu

Source: Swedish Presidency

Dealing with the financial crisis is also going to be a major challenge for the EU in the following months and another area where co-ordination at the EU level is necessary to ensure that measures by Member States do not produce conflicting results.

As the universal nature of the challenges we face is becoming more and more apparent the EU gives us a framework that provides cross-border solutions for cross-border challenges.

The Swedish government will be responsible for running the Council of the European Union until the end of this year. The Council, one of the three main European institutions, represents the views of the national governments.

Other priorities of the Swedish presidency will include: judicial cooperation between the EU countries, a Baltic Sea strategy and the accession negotiations with Croatia and Turkey. The presidency will also need to deal with the uncertainty facing the Treaty of Lisbon.

In a briefing at the Brussels-based centre for European Policy Studies (CEPS) on 9 June, Swedish Prime Minister Fredrik Reinfeld stated these priorities and emphasised that his government would attempt to tackle them in a "way that is open, efficient and results oriented".

*Filipa Figueira and Petros Fassoulas*

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### [Lisbon Treaty Guarantees for Ireland](#)

European Union leaders agreed on 18 June a series of legal guarantees to deal with Irish concerns on the Lisbon Treaty. As a result the Irish are going to hold a referendum this autumn. With concerns over the effect that the Lisbon Treaty would have on tax,

neutrality and abortion now addressed it is hoped that the Irish will vote in favour of the treaty in autumn.

The Lisbon Treaty is the appropriate tool for the creation of a more effective and more democratic EU. It will increase the democratic accountability of the EU by offering more powers to the directly elected European Parliament as well as National Parliaments. It will also create the necessary structures that will allow the EU and its Member States to make their voice heard on the international stage.



Source: European Commission

By improving the institutional structures of the EU, increasing its democratic accountability and streamlining its decision-making mechanisms the Lisbon Treaty will allow the enlarged EU to function better. A stronger, more effective EU will enhance Britain's ability to influence international debates on climate change, security, trade etc. A strong EU means a strong UK.

*Petros Fassoulas and Daisy Cross*

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### European Financial Supervision

European leaders on 19 June endorsed proposals by the Commission to improve the supervision of financial markets in the EU. The Commission has been invited to present concrete legislative proposals in autumn 2009 with the aim of having the new supervisory architecture in place in 2010.

At the centre of the debate is the creation of European Systemic Risk Board and a European System of Financial Supervisors. The creation of both bodies is a welcome step to the right direction but they must both be given sufficient powers if they are to ensure that a repetition of the current financial crisis is to be avoided. As events in the past 12 months have shown financial markets have become so intertwined and complicated that cross border supervision is required to ensure that risks to individual firms and the economy as a whole are properly supervised across the EU. New pan-European structures must have sufficient powers to ensure that recommendations by the new bodies are applied uniformly across the EU. Scepticism towards the notion of giving powers to EU institutions must not water down the ability of these bodies to make and implement rules. Over the past decade resistance to EU co-ordination and co-operation in supervising financial markets put the EU in a disadvantaged position when it came to first preventing and then managing the current crisis. The EU must now use the lessons learned to promote effective reforms that will put in place the necessary structures and empower them with the necessary instruments to meet future challenges.

*Petros Fassoulas*

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### European Commission brings down the cost of roaming

The European Commission imposed on 1 July 2009 caps on the cost of sending and receiving text messages and data services while abroad. The Commission rules come in addition to Commission legislation adopted in 2007, capping the cost of making and receiving calls while abroad (also known as roaming). As a result the

cost of using mobile phones abroad is going to be reduced by at least 60%.

The move by the EU executive is a clear indication how EU rules can add value. Up until 2007, when the first legislation came in place, the existence of a fragmented market, governed by 27 different regulatory regimes allowed the industry to charge excessively high rates to consumers. Cross-border mobile calls were on average four times more expensive than domestic calls and those prices varied widely from country to country. The Commission identified that as a market failure and, after giving the industry the opportunity to bring charges down voluntarily, moved in to impose caps on the cost of roaming when the industry failed to do so.

According to the rules adopted on 1 July sending a text from abroad in the EU will cost 11 euro cents maximum (or equivalent in national currency), less than half the previous average of 29 cents (which was far higher than texters pay at home). Receiving a text in another EU country remains free. Charges for other roaming services - like sending an email or photo or surfing the internet - were capped at the wholesale level. That is, the ceilings will apply to rates one operator charges another. The wholesale price cap is €1 per megabyte downloaded, compared with the previous average EU wholesale price of €1.68. The cap will fall to 80 cents in 2010 and to 50 cents in 2011 (All prices are per minute and exclude VAT).

Under the new rules, mobile operators must also bill their customers for roaming calls by the second after the first 30 seconds, instead of on a per minute basis. This is expected to cut phone bills by more than 20%.

The above mentioned rules will add to existing caps to mobile calls while abroad. These rules dictate that to make a roamed call in another EU country must not cost more than €0.43 per minute, and no more than €0.19 to receive a call.

EU Telecoms Commissioner, Viviane Reding, who is responsible for the rules, said "From today, all Europeans making calls or sending texts with their mobiles can experience the EU's single market without borders. The roaming-rip off is now coming to an end thanks to the determined action of the European Commission, the European Parliament and all 27 EU Member States,"

*Petros Fassoulas*

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### Dates for the Diary - July

- **07.07, Committee Meeting** (agenda will be available on the website and facebook page shortly).

- **16.07, EMiL Monthly Social** at the Royal Horseguard Hotel, Whitehall, London.