

# How the European Union works

Your guide  
to the EU institutions



European Union

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# Introducing the European Union

The European Union (EU) is a family of democratic European countries working together to improve life for their citizens and to build a better world.

Family squabbles and occasional crises are what make the news headlines, but away from the cameras the EU is actually a remarkable success story. In just over half a century it has delivered peace and prosperity in Europe, a single European currency (the euro) and a frontier-free 'single market' where goods, people, services and capital move around freely. It has become a major trading power, and a world leader in fields such as environmental protection and development aid. No wonder it has grown from six to 27 members and more countries want to join.

The European Union's success owes a lot to the unusual way in which it works. Unusual because the countries that make up the EU (its 'member states') remain independent sovereign nations but they pool their sovereignty in order to gain a strength and world influence none of them could have on their own. This stops short of being a federation, like the United States, but is much more than an organisation for cooperation between governments, like the United Nations. The EU is, in fact, unique.

Pooling sovereignty means, in practice, that the member states delegate some of their decision-making powers to shared institutions they have created, so that decisions on specific matters of joint interest can be made democratically at European level.

The three main decision-making institutions are the:

- European Parliament (EP), which represents the EU's citizens and is directly elected by them;
- Council of the European Union, which represents the individual member states;
- European Commission, which represents the interests of the Union as a whole.

This 'institutional triangle' produces the policies and laws that apply throughout the EU. In principle, it is the Commission that proposes new laws, but it is the Parliament and Council that adopt them. The Commission and the member states then implement them, and the Commission enforces them.

The Court of Justice is the final arbiter in disputes about European law.

The Court of Auditors checks the financing of the Union's activities.

A number of other bodies also have key roles in making the EU work. They are the:

- European Economic and Social Committee, which represents the economic and social components of organised civil society;
- Committee of the Regions, which represents regional and local authorities;
- European Investment Bank, which finances investment in economic development projects in and outside the EU, and helps small businesses via the European Investment Fund;

- European Central Bank, which is responsible for European monetary policy;
- European Ombudsman, which investigates complaints about maladministration by EU institutions and bodies;
- European Data Protection Supervisor, which safeguards the privacy of your personal data.

In addition, specialised agencies handle certain technical, scientific or management tasks.

The powers and responsibilities of the EU institutions, and the rules and procedures they must follow, are laid down in the Treaties on which the EU is founded. The Treaties are agreed by the presidents and prime ministers of all the EU countries and then ratified by their parliaments.

The following chapters describe the Treaties, the EU institutions and the other bodies and agencies, explaining what each entity does and how they interact.



The signing ceremony of the six-nation Treaty of Rome in 1957.



# The Treaties

## The EU is founded on four Treaties:

- The Treaty establishing the European Coal and Steel Community (ECSC), which was signed on 18 April 1951 in Paris, came into force on 23 July 1952 and expired on 23 July 2002.
- The Treaty establishing the European Economic Community (EEC), which was signed on 25 March 1957 in Rome and came into force on 1 January 1958. It is often referred to as 'the Treaty of Rome'.
- The Treaty establishing the European Atomic Energy Community (Euratom), which was signed in Rome along with the EEC Treaty.
- The Treaty on European Union (EU), which was signed in Maastricht on 7 February 1992, and came into force on 1 November 1993. It is often referred to as 'the Maastricht Treaty'.

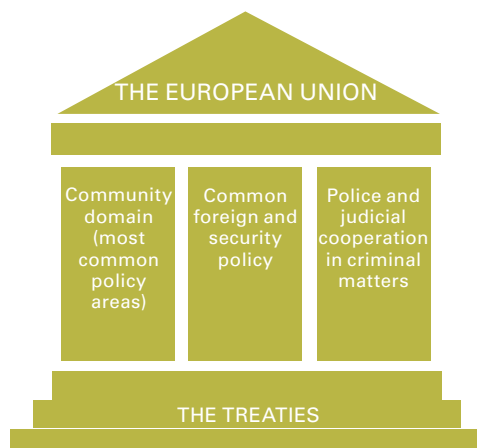
The ECSC, EEC and Euratom Treaties created the three 'European Communities', i.e. the system of joint decision-making on coal, steel, nuclear power and other major sectors of the member states' economies. The common institutions set up to manage this system were merged in 1967, resulting in a single Commission and a single Council of Ministers.

The EEC, in addition to its economic role, gradually took on a wide range of responsibilities, including social, environmental and regional policies. Since it was no longer a purely economic community, the fourth

Treaty (Maastricht) renamed it simply 'the European Community' (EC). As the ECSC Treaty approached expiry in 2002, responsibilities for coal and steel were progressively merged into other Treaties.

At Maastricht, the member state governments also agreed to work together on foreign and security policy, and in the area of 'justice and home affairs'. By adding this intergovernmental cooperation to the existing Community system, the Maastricht Treaty created a new structure with three 'pillars', which is political as well as economic. This is the European Union (EU).

The Treaties are the basis for everything the EU does. They have been amended each time new member states have joined. From time to time the Treaties have also been amended to reform the European Union's institutions and to give it new areas of



The European Union is founded on its Treaties. Its three 'pillars' represent different policy areas with different decision-making systems.

responsibility. This is always done by a special conference of the EU's national governments (an 'intergovernmental conference' or IGC). Key intergovernmental conferences resulted in:

- The Single European Act (SEA), which was signed in February 1986 and came into force on 1 July 1987. It amended the EEC Treaty and paved the way for completing the single market;
- The Treaty of Amsterdam, which was signed on 2 October 1997 and came into force on 1 May 1999. It extended the pooled sovereignty to more areas involving more citizens' rights, and closer interaction on social and employment policies;
- The Treaty of Nice, which was signed on 26 February 2001 and came into force on 1 February 2003. It further amended the other Treaties, streamlining the EU's decision-making system so it could continue to work effectively even after further enlargements;
- The draft Constitutional Treaty, which was agreed and signed in October 2004, but has not come into force, because it was not ratified by all EU countries.
- The Reform Treaty, which was agreed in principle in 2007, but will not come into force until it has been ratified by all member states.



© Picture-alliance/dpa/Zucchi

A clean environment is just one area of many where EU member states have agreed that pooling sovereignty makes sense.





# How the EU takes decisions

Decision-making at European Union level involves various EU institutions, in particular:

- the European Parliament (EP),
- the Council of the European Union, and
- the European Commission.

In general, it is the European Commission that proposes new legislation, but it is the Council and Parliament that pass the laws. In some cases, the Council can act alone. Other institutions also have roles to play.

The main forms of EU law are directives and regulations. Directives establish a common aim for all member states, but leave it to national authorities to decide on the form and method of achieving it. Normally, member states are given one to two years to implement a directive. Regulations are directly applicable throughout the EU as soon as they come into force without further action by the member state.

The rules and procedures for EU decision-making are laid down in the Treaties. Every proposal for a new European law must be based on a specific Treaty article, referred to as the 'legal basis' of the proposal. This determines which legislative procedure must be followed. The three main procedures are 'codecision', 'consultation' and 'assent'.

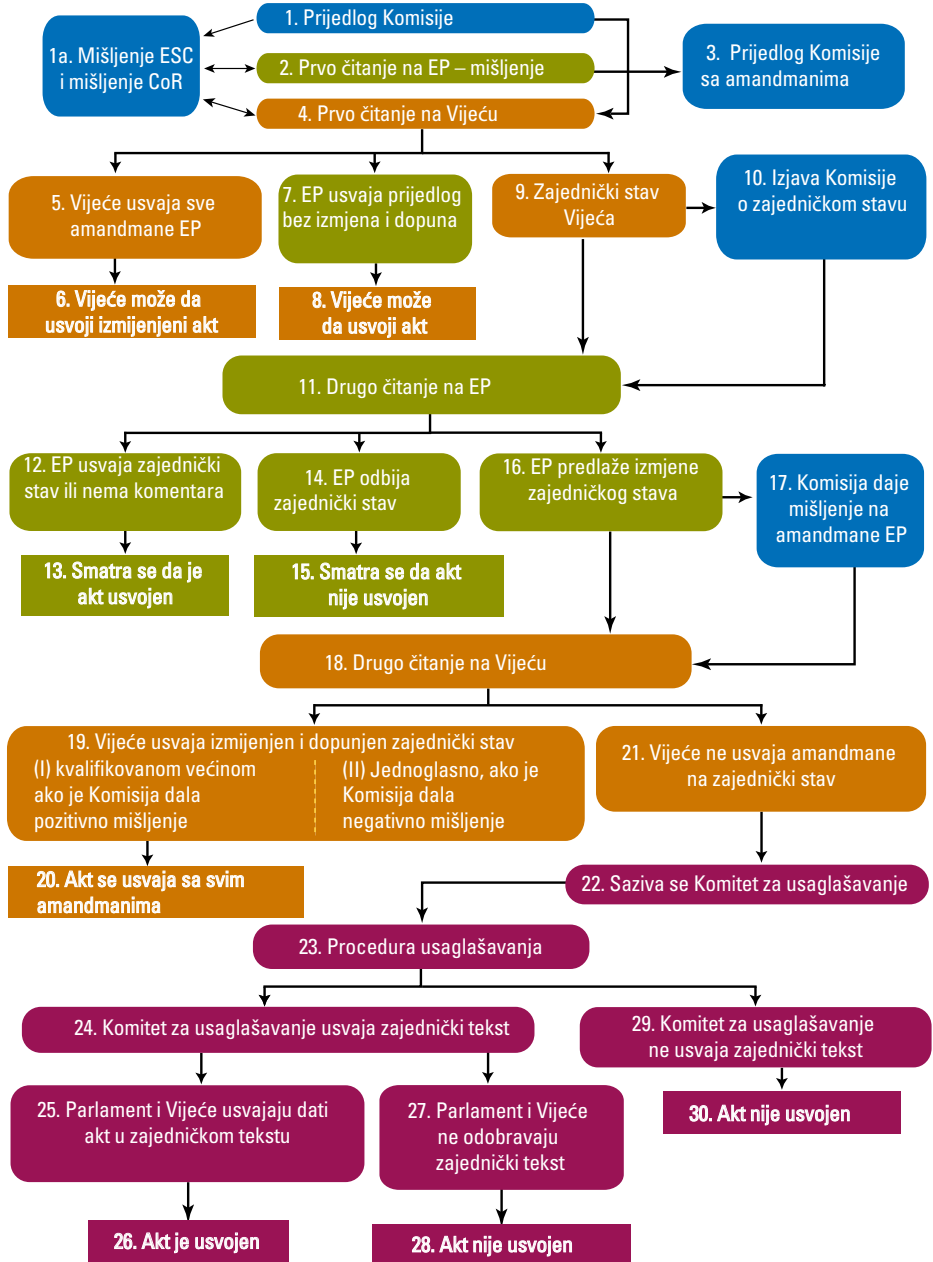
## 1. Codecision

Codecision is the procedure now used for most EU law-making. In the codecision procedure, Parliament shares legislative power equally with the Council.

If Council and Parliament cannot agree on a piece of proposed legislation, there will be no new law. The procedure provides for two successive 'readings' in each institution. If an agreement is reached in these readings, the law can be passed. If not, it will be put before a conciliation committee, composed of equal numbers of Council and Parliament representatives. Once this committee has reached an agreement, the agreed text is sent again to Parliament and the Council so that they can finally adopt it as law. Conciliation is becoming increasingly rare. Most laws passed in codecision are, in fact, adopted either at the first or second reading as a result of good cooperation between the three institutions.

The diagram overleaf shows the procedure in greater detail. For further information, go to [ec.europa.eu/codecision](http://ec.europa.eu/codecision)

## The codecision procedure



### Three 'councils': which is which?

It's easy to get confused about which European body is which – especially when very different bodies have very similar names, such as these three 'councils'.

#### The European Council

→ This means the Heads of State or Government of all the EU countries, plus the President of the European Commission. It depends on the political system of each country whether their participant is the president and/or the prime minister. The European Council meets, in principle, four times a year to agree overall EU policy and to review progress. It is the highest level policymaking body in the European Union, which is why its meetings are often called 'summits'.

#### The Council of the European Union

→ Formerly known as the Council of Ministers, this institution consists of government ministers from all the EU countries. The Council meets regularly to take detailed decisions and to pass EU laws. A fuller description of its work is given later in this booklet.

#### The Council of Europe

→ This is not an EU institution at all. It is an intergovernmental organisation which aims (amongst other things) to protect human rights, to promote Europe's cultural diversity and to combat social problems such as racial prejudice and intolerance. It was set up in 1949 and one of its early achievements was to draw up the European convention on Human Rights. To enable citizens to exercise their rights under that convention, it set up the European Court of Human Rights. The Council of Europe now has 47 member countries, including all 27 European Union countries, and its headquarters is the Palais de l'Europe in Strasbourg (France).

## 2. Consultation

The consultation procedure is used in areas such as agriculture, taxation and competition. Based on a proposal from the Commission, the Council consults Parliament, the European Economic and Social Committee and the Committee of the Regions.

Under the consultation procedure, Parliament may:

- approve the Commission proposal,
- reject it, or
- ask for amendments.

If Parliament asks for amendments, the Commission will consider all the changes Parliament suggests. If it accepts any of these suggestions it will send the Council an amended proposal.

The decision ultimately rests with the Council, which either adopts the amended proposal or amends it further. In this procedure, as in all others, if the Council amends a Commission proposal it must do so unanimously.



The EU's interpreters play a vital role in its work.

### 3. Assent

The assent procedure means that the Council has to obtain the European Parliament's assent before certain very important decisions are taken. The procedure is the same as in the case of consultation, except that Parliament cannot amend a proposal: it must either accept or reject it. Acceptance ('assent') requires an absolute majority of the votes cast.

The assent procedure is mostly used for agreements with other countries, including the agreements allowing new countries to join the EU.

#### Who works for the EU institutions?

The civil servants who work for the EU institutions come from all EU member countries. They cover a wide range of activities and skills, from policymakers and managers to economists, engineers, lawyers, linguists, secretaries and technical support staff. They must be able and willing to work in a multicultural and multilingual environment, usually at quite a distance from their home country.

To become an EU civil servant you have to pass a tough competitive examination. These exams are centrally organised by the European Personnel Selection Office (EPSO).

For further information, go to [europa.eu/epso](http://europa.eu/epso)



# The European Parliament: voice of the people

## KEY FACTS

<b>ROLE //</b>	Directly elected legislative arm of the EU
<b>NEXT ELECTION //</b>	June 2009
<b>MEETINGS //</b>	Monthly plenary sessions in Strasbourg, additional plenary sessions and committee meetings in Brussels, secretariat in Luxembourg
<b>ADDRESS //</b>	Plateau du Kirchberg, BP 1601, L-2929 Luxembourg
<b>TEL. //</b>	(352) 4300-1
<b>INTERNET //</b>	<a href="http://europarl.europa.eu">europarl.europa.eu</a>

The European Parliament (EP) is elected by the citizens of the European Union to represent their interests. Its origins go back to the 1950s and the founding Treaties. Since 1979 its members have been directly elected by the citizens of the EU.

Elections are held every five years, and every EU citizen is entitled to vote, and to stand as a candidate, wherever they live in the EU. Parliament thus expresses the democratic will of the Union's nearly 500 million citizens and it represents their interests in discussions with the other EU institutions.

The latest elections were in June 2004. Parliament has 785 members from all 27 EU countries.

Members of the European Parliament (MEPs) do not sit in national blocks, but in EU-wide political groups. Between them, they represent all views on political issues and European integration, from the strongly pro-federalist to the openly Eurosceptic.

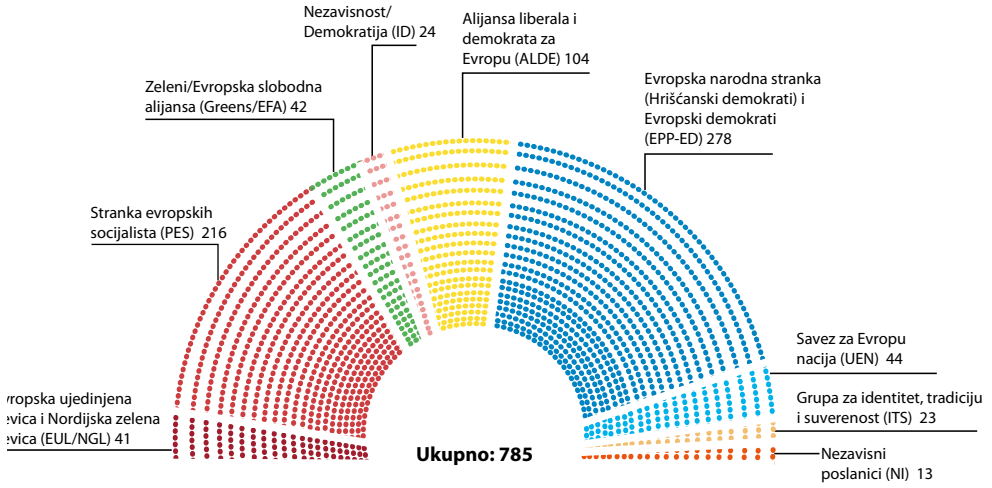
Hans-Gert Pöttering was elected President of the EP in 2007 and is to hold that post until the 2009 elections.

## Where is Parliament based?

The European Parliament has three places of work: Brussels (Belgium), Luxembourg and Strasbourg (France).

Luxembourg is home to the administrative offices (the 'General Secretariat'). Meetings of the whole Parliament, known as 'plenary sessions', take place in Strasbourg and sometimes in Brussels. Committee meetings are also held in Brussels.

## Number of seats per political group, as at 1 September 2007



## Number of seats per country

Austria	18	Latvia	9
Belgium	24	Lithuania	13
Bulgaria	18	Luxembourg	6
Cyprus	6	Malta	5
Czech Republic	24	Netherlands	27
Denmark	14	Poland	54
Estonia	6	Portugal	24
Finland	14	Romania	35
France	78	Slovakia	14
Germany	99	Slovenia	7
Greece	24	Spain	54
Hungary	24	Sweden	19
Ireland	13	United Kingdom	78
Italy	78	<b>Total</b>	<b>785</b>



Hans-Gert Pöttering,  
President of the European Parliament.

## What does Parliament do?

Parliament has three main roles.

1. Passing European laws — jointly with the Council in many policy areas. The fact that the EP is directly elected by the citizens of the EU helps guarantee the democratic legitimacy of European law.
2. Parliament exercises democratic supervision over the other EU institutions, and in particular the Commission. It has the power to approve or reject the nomination of commissioners, and it has the right to require the Commission as a whole to step down.
3. The power of the purse. Parliament shares with the Council authority over the EU budget and can therefore influence EU spending. It adopts or rejects the budget in its entirety.

These three roles are described in greater detail below.

### 1. Passing European laws

The most common procedure for adopting (i.e. passing) EU legislation is ‘codecision’ (see above: ‘How the EU takes decisions’). This procedure places the European Parliament and the Council on an equal footing, and it applies to legislation in a wide range of fields.

In some fields (for example agriculture, economic policy, visas and immigration), the Council alone legislates, but it has to consult Parliament. In addition, Parliament’s assent is required for certain important decisions, such as allowing new countries to join the EU.

Parliament also provides impetus for new legislation by examining the Commission’s annual work programme, considering what new laws would be appropriate and asking the Commission to put forward proposals.

### 2. Democratic supervision

Parliament exercises democratic supervision over the other EU institutions in several ways.

When a new Commission takes office, its members are nominated by the governments of the EU countries, but they cannot be appointed without Parliament’s approval. Parliament interviews each of them individually, including the prospective Commission President, and then votes on whether to approve the Commission as a whole.

Throughout its term of office, the Commission remains politically accountable to Parliament, which can pass a ‘motion of censure’ requiring the Commission’s mass resignation.

More generally, Parliament exercises control by regularly examining reports sent to it by the Commission (the annual general report, reports on the implementation of the budget, etc.). Moreover, MEPs regularly ask the Commission questions which the commissioners are legally required to answer.

Parliament also monitors the work of the Council: MEPs regularly ask the Council questions, and the President of the Council attends the EP's plenary sessions and takes part in important debates.

Parliament can exercise further democratic control by examining petitions from citizens and setting up committees of inquiry.

Finally, Parliament provides input to every EU summit (the European Council meetings). At the opening of each summit, the President of Parliament is invited to express Parliament's views and concerns about topical issues and the items on the European Council's agenda.

### 3. The power of the purse

The EU's annual budget is decided jointly by Parliament and the Council. Parliament debates it in two successive readings, and the budget does not come into force until it has been signed by the President of Parliament.

Parliament's Committee on Budgetary Control monitors how the budget is spent. In addition, the Parliament each year decides whether to approve the Commission's handling of the budget. This approval process is technically known as 'granting a discharge'.

### How is the Parliament's work organised?

Parliament's work is divided into two main stages.

- **Preparing for the plenary session.** MEPs debate the Commission's proposals in committees that specialise in particular areas of EU activity and on the basis of a report prepared by one of the committee members, the so-called 'rapporteur'. The report gives the background and the pros and cons of the proposal. The issues for debate are also discussed by the political groups.



A poster calling on Luxembourgers to vote in the first direct elections to the European Parliament in 1979.

- **The plenary session.** Each year, 12 four-day plenary sessions are held in Strasbourg and six two-day sessions are held in Brussels. At these sessions, Parliament examines proposed legislation and votes on amendments before deciding on the text as a whole.

Other agenda items may include Commission 'communications' setting out its intentions in a particular sphere, or questions to the Commission or Council about what is going on in the EU or the wider world.





# The Council of the European Union: voice of the member states

## KEY FACTS

<b>ROLE //</b>	Legislative (in some fields executive) arm of the EU; represents the member states.
<b>MEMBERS //</b>	One minister from each EU country
<b>PRESIDENCY //</b>	Rotates every six months
<b>MEETINGS //</b>	In Brussels (Belgium), except in April, June and October (Luxembourg).
<b>ADDRESS //</b>	Rue de la Loi/Wetstraat 175, B-1048 Brussels
<b>TEL. //</b>	(32-2) 285 61 11
<b>INTERNET //</b>	consilium.europa.eu

The Council is the EU's main decision-making body. Like the European Parliament, the Council was set up by the founding Treaties in the 1950s. It represents the member states, and its meetings are attended by one minister from each of the EU's national governments.

Which ministers attend which meeting depends on what subjects are on the agenda. If, for example, the Council is to discuss environmental issues, the meeting will be attended by the environment minister from each EU country and it will be known as the 'Environment Council'.

The EU's relations with the rest of the world are dealt with by the 'General Affairs and External Relations Council'. But this Council configuration also has wider responsibility for general policy issues, so its meetings are attended by whichever minister or state secretary each government chooses.

Altogether there are nine different Council configurations:

- General Affairs and External Relations,
- Economic and Financial Affairs (Ecofin),
- Justice and Home Affairs,
- Employment, Social Policy, Health and Consumer Affairs,
- Competitiveness,
- Transport, Telecommunications and Energy,
- Agriculture and Fisheries,
- Environment,
- Education, Youth and Culture.

Each minister in the Council is empowered to commit his or her government. In other words, the minister's signature is the signature of the whole government. Moreover, each minister in the Council is answerable to his or her national parliament and to the

citizens that parliament represents. Together with the European Parliament's involvement in decision-making, this ensures the democratic legitimacy of the Council's decisions.

Up to four times a year the presidents and/or prime ministers of the EU countries, together with the President of the European Commission, meet as the European Council. These 'summit' meetings set overall EU policy and resolve issues that could not be settled at a lower level (i.e. by the ministers at normal Council meetings). Given the importance of European Council discussions, they often go on late into the night and attract a lot of media attention.

### What does the Council do?

The Council has six key responsibilities:

1. to pass EU laws – jointly with the European Parliament in many policy areas.
2. to coordinate the broad economic and social policies of the member states.
3. to conclude international agreements between the EU and other countries or international organisations.
4. to approve the EU's budget, jointly with the European Parliament.
5. to define and implement the EU's common foreign and security policy (CFSP) based on guidelines set by the European Council.
6. to coordinate cooperation between the national courts and police forces in criminal matters.

Most of these responsibilities relate to the Community domain — i.e. areas of action where the member states have decided to pool their sovereignty and delegate decision-making powers to the EU institutions. This domain is the 'first pillar' of the European Union.

However, the last two responsibilities relate largely to areas in which the EU countries have not delegated their powers but are simply working together. This is called intergovernmental cooperation and it covers the second and third pillars of the European Union.

The Council's work is described in greater detail below.

#### 1. Legislation

The bulk of the Council's work is in passing legislation in areas where the EU has pooled its sovereignty. The most common procedure for this is 'codecision', where EU legislation is adopted jointly by the Council and Parliament on the basis of a proposal from the Commission. In some areas, the Council has the final word but only on the basis of a Commission proposal and only after having taken into account the views of the Commission and the Parliament (see above: 'How the EU takes decisions').

#### 2. Coordinating the policies of member states

The EU countries have decided that they want an overall economic policy based on close coordination between their national economic policies. This coordination is carried out by the economics and finance ministers, who collectively form the Economic and Financial Affairs (Ecofin) Council.

They also want to create more jobs and to improve their education, health and social protection systems. Although each EU country is responsible for its own policy in these areas, they can agree on common goals and learn from each other's experience of what works best. This process is called the 'open method of coordination', and it takes place within the Council.



Javier Solana, the EU's foreign policy chief, learns first hand about refugee realities.

### 3. Concluding international agreements

Each year, the Council 'concludes' (i.e. officially signs) a number of agreements between the European Union and non-EU countries, as well as with international organisations. These agreements may cover broad areas such as trade, cooperation and development or they may deal with specific subjects such as textiles, fisheries, science and technology, transport, etc.

In addition, the Council may conclude conventions between the EU member states in fields such as taxation, company law or consular protection. Conventions can also deal with cooperation on issues of freedom, security and justice (see below).

### 4. Approving the EU budget

The EU's annual budget is decided jointly by the Council and the European Parliament.

### 5. Common foreign and security policy

The EU countries are working to develop a common foreign and security policy (CFSP). But foreign policy, security and defence are matters over which the individual national governments retain independent control. However, the EU countries have recognised the advantages of working together on these issues, and the Council is the main forum in which this 'inter-governmental cooperation' takes place.

This cooperation not only covers defence issues but crisis management tasks, such as humanitarian and rescue operations, peace-keeping and peacemaking in trouble spots. The EU countries try to mobilise and coordinate military and police forces, so that they can be used in coordination with diplomatic and economic action. Through these mechanisms, the EU has helped to maintain peace, build democracy and spur economic progress in places as far apart as Indonesia, the Democratic Republic of the Congo and the countries of south-eastern Europe.

## 6. Freedom, security and justice

EU citizens are free to live and work in whichever EU country they choose, so they should have equal access to civil justice everywhere in the European Union. National courts therefore need to work together to ensure, for example, that a court judgment delivered in one EU country in a divorce or child custody case is recognised in all other EU countries.

Freedom of movement within the EU is of great benefit to law-abiding citizens, but it is also exploited by international criminals and terrorists. To tackle cross-border crime requires cross-border cooperation between the national courts, police forces, customs officers and immigration services of all EU countries.

They have to ensure, for example:

- that the EU's external borders are effectively policed;
- that customs officers and police exchange information on the movements of suspected drugs traffickers or people smugglers;

- that asylum seekers are assessed and treated in the same way throughout the EU, so as to prevent 'asylum shopping'.

Issues such as these are dealt with by the Justice and Home Affairs Council — i.e. the ministers for justice and of the interior. The aim is to create a single 'area of freedom, security and justice' within the EU's borders.

## How is the Council's work organised?

### The Council presidency

The presidency of the Council rotates every six months. In other words, each EU country in turn takes charge of the Council agenda and chairs all the meetings for a six-month period, promoting legislative and political decisions and brokering compromises between the member states.



Free movement of people and goods within the EU have made customs checks like these a thing of the past when travelling in Europe.

### The General Secretariat

The presidency is assisted by the General Secretariat, which prepares and ensures the smooth functioning of the Council's work at all levels.

In 2004, Javier Solana was reappointed Secretary-General of the Council. He is also High Representative for the common foreign and security policy (CFSP) and in this capacity he helps coordinate the EU's action on the world stage.

The Secretary-General is assisted by a Deputy Secretary-General in charge of managing the General Secretariat.

### Coreper

In Brussels, each EU country has a permanent team ('representation') that represents it and defends its national interest at EU level. The head of each representation is, in effect, that country's ambassador to the EU.

These ambassadors are known as 'permanent representatives' and meet weekly within the Permanent Representatives Committee (Coreper). The role of this committee is to prepare the work of the Council, with the exception of most agricultural issues, which are handled by the Special Committee on Agriculture. Coreper is assisted by a number of working groups, attended by officials from the representations or national administrations.

### Security and defence

The Council is assisted by a separate structure in matters of security and defence:

- the Political and Security Committee (PSC), which is to this cooperation what Coreper is to other types of decision;
- the European Union Military Committee (EUMC), made up of the member states' Chiefs of Defence Staff;

- the European Union Military Staff (EUMS), composed of military and civilian experts seconded to the Council Secretariat by the member states;
- the Committee for the Civilian Aspects of Crisis Management.

### How many votes per country?

Decisions in the Council are taken by vote. The bigger the country's population, the more votes it has, but the numbers are weighted in favour of the less populous countries:

France, Germany, Italy and the United Kingdom	29
Poland and Spain	27
Romania	14
Netherlands	13
Belgium, Czech Republic, Greece, Hungary and Portugal	12
Austria, Bulgaria, Sweden	10
Denmark, Finland, Ireland, Lithuania and Slovakia	7
Cyprus, Estonia, Latvia, Luxembourg and Slovenia	4
Malta	3
<b>Total</b>	<b>345</b>

### Qualified majority voting

In some particularly sensitive areas such as common foreign and security policy, taxation, asylum and immigration policy, Council decisions have to be unanimous. In other words, each member state has the power of veto in these areas.

On most issues, however, the Council takes decisions by 'qualified majority voting'.

A qualified majority is reached:

- if a majority of member states (in some cases a two-thirds majority) approve and;
- if a minimum of 255 votes is cast in favour — which is 73.9% of the total.

In addition, a member state may ask for confirmation that the votes in favour represent at least 62% of the total population of the Union. If this is found not to be the case, the decision will not be adopted.



© European Union Police Mission

The EU helps train and build police forces in troubled regions, stressing the importance of good community relations.



# The European Commission: promoting the common interest

## KEY FACTS

<b>ROLE //</b>	Executive arm of the EU and initiator of legislative proposals
<b>MEMBERS //</b>	27: one from each of the member states
<b>TERM OF OFFICE //</b>	Five years (2004–09)
<b>ADDRESS //</b>	B-1049 Brussels
<b>TEL. //</b>	(32-2) 299 11 11
<b>INTERNET //</b>	ec.europa.eu

The Commission is independent of national governments. Its job is to represent and uphold the interests of the EU as a whole. It drafts proposals for new European laws, which it presents to the European Parliament (EP) and the Council.

It is also the EU's executive arm — in other words, it is responsible for implementing the decisions of Parliament and the Council. That means managing the day-to-day business of the European Union: implementing its policies, running its programmes and spending its funds.

Like the EP and the Council, the European Commission was set up in the 1950s under the EU's founding Treaties.

## What is the Commission?

The term 'Commission' is used in two senses. First, it refers to the team of men and women — one from each EU country — appointed to run the institution and take its decisions.

Secondly, the term 'Commission' refers to the institution itself and to its staff.

Informally, the appointed members of the Commission are known as 'commissioners'. They have generally held political positions in their countries of origin and many have been government ministers, but as members of the Commission they are committed to acting in the interests of the Union as a whole and not taking instructions from national governments.

A new Commission is appointed every five years, within six months of the elections to the European Parliament. The procedure is as follows:

- the member state governments agree together on who to designate as the new Commission President;
- the Commission President-designate is then approved by Parliament;

- the Commission President-designate, in discussion with the member state governments, chooses the other members of the Commission;
- the new Parliament then interviews each commissioner-designate and then gives its opinion on the whole team. Once the new Commission is approved, it can officially start work.

The present Commission's term of office runs until 31 October 2009. Its President is José Manuel Barroso.

The Commission remains politically accountable to Parliament, which has the power to dismiss the whole Commission by adopting a motion of censure. Individual members of the Commission must resign if asked to do so by the President and the other commissioners approve.

The Commission is represented at all sessions of Parliament, where it must clarify and justify its policies. It also replies regularly to written and oral questions posed by MEPs.

The day-to-day running of the Commission is in the hands of administrative officials, experts, translators, interpreters and secretarial staff. There are approximately 23 000 of these European civil servants. That may sound a lot, but in fact it is fewer than the number of staff employed by a typical medium-sized city council in Europe.

## Where is the Commission based?

The 'seat' of the Commission is in Brussels (Belgium), but it also has offices in Luxembourg, representations in all EU countries and delegations in many capital cities around the world.

## What does the Commission do?

The European Commission has four main roles:

1. to propose legislation to Parliament and the Council;
2. to manage and implement EU policies and the budget;
3. to enforce EU law (jointly with the Court of Justice);
4. to represent the European Union on the international stage, for example by negotiating agreements between the EU and other countries.

### 1. Proposing new legislation

The Commission has the 'right of initiative'. In other words, the Commission alone is responsible for drawing up proposals for new EU legislation, which it presents to Parliament and the Council. These proposals must aim to defend the interests of the Union and its citizens, not those of specific countries or industries.



There is one commissioner for each EU country.



Before making any proposals, the Commission must be aware of new situations and problems developing in Europe, and it must consider whether EU legislation is the best way to deal with them. That is why the Commission is in constant touch with a wide range of interest groups and with two advisory bodies – the European Economic and Social Committee and the Committee of the Regions. It also takes the opinions of national parliaments and governments into account.

The Commission will propose action at EU level only if it considers that a problem cannot be solved more efficiently by national, regional or local action. This approach of dealing with issues at the lowest possible level is called the ‘subsidiarity principle’.

If the Commission concludes that EU legislation is needed, then it drafts a proposal that it believes will deal with the problem effectively and satisfy the widest possible range of interests. To get the technical details right the Commission consults experts, via various advisory committees and consultative groups. Frequently, it publishes ‘Green’ and ‘White’ papers, holds hearings, seeks the views of civil society and commissions specialist expert reports, and often consults the public directly before it makes a proposal in order to ensure that it has as complete a picture as possible.

## 2. Implementing EU policies and the budget

As the European Union’s executive body, the Commission is responsible for managing and implementing the EU budget. Most of the actual spending is done by national and local authorities, but the Commission is responsible for supervising it — under the watchful eye of the Court of Auditors. Both institutions aim to ensure good financial management. Only if it is satisfied with the Court of Auditors’ annual report does the European



The EU funds upgrades to telecommunications infrastructure in less prosperous regions of the EU.

Parliament grant the Commission discharge for implementing the budget.

The Commission also has to implement decisions taken by Parliament and the Council, such as those relating to the common agricultural policy, fisheries, energy, regional development, the environment, or youth, and educational training and exchange schemes, such as the Erasmus programme. It also plays a major role in competition policy in order to ensure that businesses operate on a level playing field. The Commission may prohibit mergers between companies if it thinks they will lead to unfair competition. The Commission also has to make sure that EU countries do not distort competition through excessive subsidies to their industries.

### 3. Enforcing European law

The Commission acts as ‘guardian of the Treaties’. This means that the Commission, together with the Court of Justice, is responsible for making sure EU law is properly applied in all the member states.

If it finds that an EU country is not applying an EU law, it launches a process called the ‘infringement procedure’. The first step is to send the government an official letter, saying why the Commission considers this country is infringing EU law and setting it a deadline for sending a detailed explanation.

If the member state does not have a satisfactory explanation or put matters right, the Commission will send another letter confirming that EU law has been infringed and setting a deadline for it to be corrected. If the member state still fails to comply, the Commission will refer the matter to the Court of Justice to decide. The Court’s judgements are binding on the member states and the EU institutions. In cases where member states continue failing to adhere to a judgment, the Court can impose financial sanctions.

### 4. Representing the EU on the international stage

The European Commission is an important spokesperson for the European Union on the international stage. It is the voice of the EU in international forums such as the World Trade Organisation, in negotiations on the international climate change agreement, the Kyoto Protocol, and the EU’s important aid and trade partnership with developing countries in Africa, the Caribbean and the Pacific, known as the Cotonou Agreement.

The Commission also speaks and negotiates on behalf of the EU in areas where the member states have pooled sovereignty. This is done on the basis of agreements reached in advance with the member states.

### How is the Commission’s work organised?

It is up to the Commission President to decide which commissioner will be responsible for which policy area, and to reshuffle these responsibilities (if necessary) during the Commission’s term of office.

The Commission generally meets once a week, usually on Wednesdays, and usually in Brussels. Each item on the agenda is presented by the commissioner responsible for that policy area, and the whole team then takes a collective decision on it.

The Commission’s staff is organised in departments, known as ‘directorates-general’ (DGs) and ‘services’ (such as the Legal Service). Each DG is responsible for a particular policy area and is headed by a director-general who is answerable to one of the commissioners. Overall coordination is provided by the Secretariat-General, which also manages the weekly Commission meetings. It is headed by the Secretary General, who is answerable directly to the President.

It is the DGs that actually devise and draft legislative proposals, but these proposals become official only when ‘adopted’ by the Commission at its weekly meeting. The procedure is roughly as follows.

Suppose, for example, that the Commission sees a need for EU legislation to prevent pollution of Europe’s rivers. The Directorate-General for the Environment will draw up a proposal, based on extensive consultations with European industry, farming and environmental organisations, and environment ministries in the EU countries. The draft will also be discussed with other Commission departments with an interest in this topic, and checked by the Legal Service and the Secretariat-General.



European Commission President José Manuel Barroso sees for himself the dramatic effects climate change is already having on Greenland.

Once the proposal is fully ready, it will be put on the agenda of a Commission meeting. If at least 14 of the 27 commissioners approve the proposal, the Commission will adopt it and it will have the whole team's unconditional support. The document will then be sent to

the Council and the European Parliament for them to decide on the proposal. The Commission may subsequently make amendments in the light of the comments from these two institutions and then send the proposal back for final approval.



# The Court of Justice: upholding the law

## KEY FACTS

<b>ROLE //</b>	To give legal judgments on cases brought before it
<b>COURT OF JUSTICE //</b>	One judge from each EU country; eight advocates-general
<b>COURT OF FIRST INSTANCE //</b>	At least one judge from each EU country (27 in 2007)
<b>CIVIL SERVICE TRIBUNAL //</b>	Seven judges
<b>TERM OF OFFICE //</b>	Renewable terms of six years
<b>ADDRESS //</b>	Boulevard Konrad Adenauer, L-2925 Luxembourg
<b>TEL. //</b>	(352) 43 03-1
<b>INTERNET //</b>	curia.europa.eu

The Court of Justice of the European Communities (often referred to simply as 'the Court') dates back to the very first of the EU Treaties, the ECSC Treaty of 1952. It is based in Luxembourg.

Its job is to make sure that EU legislation is interpreted and applied in the same way in all EU countries, so that the law is equal for everyone. It ensures, for example, that national courts do not give different rulings on the same issue.

The Court also makes sure that EU member states and institutions do what the law requires. The Court has the power to settle legal disputes between EU member states, EU institutions, businesses and individuals.

The Court is composed of one judge per member state, so that all 27 of the EU's national legal systems are represented. For the sake of efficiency, however, the Court rarely sits as the full court. It usually sits as a 'Grand Chamber' of just 13 judges or in chambers of five or three judges.

The Court is assisted by eight 'advocates-general'. Their role is to present opinions on the cases brought before the Court. They must do so publicly and impartially.

The judges and advocates-general are people whose impartiality is beyond doubt. They have the qualifications or competence needed for appointment to the highest judicial positions in their home countries. They are appointed to the Court of Justice by joint agreement between the governments of the EU member states. Each is appointed for a term of six years, which may be renewed.

To help the Court of Justice cope with the large number of cases brought before it, and to offer citizens better legal protection, a Court of First Instance was created in 1988. This court (which is attached to the Court of Justice) is responsible for giving rulings on certain kinds of case, particularly actions brought by private individuals, companies and some organisations, and cases relating

to competition law. This court also has one judge from each EU country.

The European Union Civil Service Tribunal adjudicates in disputes between the European Union and its civil service. This tribunal is composed of seven judges and is attached to the Court of First Instance.

The Court of Justice, the Court of First Instance and the Civil Service Tribunal each have a president chosen by their fellow judges to serve for a renewable term of three years. Vassilios Skouris was elected President of the Court of Justice in 2003. Marc Jaeger was appointed President of the Court of First Instance in 2007. Paul J. Mahoney has been President of the Civil Service Tribunal since 2005.

## What does the Court do?

The Court gives rulings on cases brought before it. The five most common types of case are:

1. references for a preliminary ruling;
2. actions for failure to fulfil an obligation;
3. actions for annulment;
4. actions for failure to act;
5. actions for damages.

They are each described in greater detail below.

### 1. The preliminary ruling procedure

The national courts in each EU country are responsible for ensuring that EU law is properly applied in that country. But there is a risk that courts in different countries might interpret EU law in different ways.

To prevent this happening, there is a 'preliminary ruling procedure'. This means that if a national court is in any doubt about the interpretation or validity of an EU law it may, and sometimes must, ask the Court of Justice for advice. This advice is given in the form of a 'preliminary ruling'.



Air hostesses have benefited several times from European Court of Justice rulings on equal pay and equal rights.

## 2. Actions for failure to fulfil an obligation

The Commission can start these proceedings if it has reason to believe that a member state is failing to fulfil its obligations under EU law. These proceedings may also be started by another EU country.

In either case, the Court investigates the allegations and gives its judgment. The accused member state, if it is indeed found to be at fault, must set things right at once. If the Court finds that the member state has not complied with its judgment, it may impose a fine on that country.

## 3. Actions for annulment

If any of the member states, the Council, the Commission or (under certain conditions) Parliament believes that a particular EU law is illegal, they may ask the Court to annul it.

These ‘actions for annulment’ can also be used by private individuals who want the Court to cancel a particular law because it directly and adversely affects them as individuals.

If the Court finds that the law in question was not correctly adopted or is not correctly based on the Treaties, it may declare the law null and void.

## 4. Actions for failure to act

The Treaty requires the European Parliament, the Council and the Commission to make certain decisions under certain circumstances. If they fail to do so, the member states, the other EU institutions and (under certain conditions) individuals or companies can lodge a complaint with the Court so as to have this failure to act officially recorded.

## 5. Actions for damages

Any person or company who has suffered damage as a result of the action or inaction of the Community or its staff may bring an action seeking compensation before the Court of First Instance.

### How is the Court’s work organised?

Cases are submitted to the registry and a specific judge and advocate-general are assigned to each case.

The procedure that follows is in two stages: first a written and then an oral phase.

At the first stage, all the parties involved submit written statements and the judge assigned to the case draws up a report summarising these statements and the legal background to the case.

Then comes the second stage — the public hearing. Depending on the importance and complexity of the case, this hearing can take place before a chamber of three, five or 13 judges, or before the full Court. At the hearing, the parties’ lawyers put their case before the judges and the advocate-general, who can question them. The advocate-general then gives his or her opinion, after which the judges deliberate and deliver their judgment. This will not necessarily follow the opinion of the advocate-general.

Judgments of the Court are decided by a majority and pronounced at a public hearing. Dissenting opinions are not expressed. Decisions are published on the day of delivery.

The procedure in the Court of First Instance is similar, except that there is no opinion from an advocate-general.



# The European Court of Auditors: getting value for your money

## KEY FACTS

<b>ROLE //</b>	To check that EU funds are used properly
<b>MEMBERS //</b>	One from each EU country
<b>TERM OF OFFICE //</b>	Members are appointed for a renewable term of six years
<b>ADDRESS //</b>	12 rue Alcide de Gasperi, L-1615 Luxembourg
<b>TEL. //</b>	(352) 43 98-1
<b>INTERNET //</b>	<a href="http://eca.europa.eu">eca.europa.eu</a>

The Court of Auditors was set up in 1975. It is based in Luxembourg. The Court's job is to check that EU funds are managed properly so that the citizens of the Union get maximum value for money. It has the right to audit any person or organisation handling EU funds.

The Court has one member from each EU country, appointed by the Council for a renewable term of six years. The members elect one of them as President for a renewable term of three years. Hubert Weber has been President of the Court of Auditors since January 2005.

### What does the Court do?

The Court's main role is to check that the EU budget is correctly implemented — in other words, that EU income and expenditure is obtained, spent and recorded legally and to ensure sound financial management. So its work helps guarantee that the EU system operates economically, efficiently, effectively and openly.

To carry out its tasks, the Court can investigate the paperwork of any person or organisation handling EU income or expenditure. It frequently carries out on-the-spot checks. Its findings are written up in reports which bring any problems to the attention of the Commission and EU member state governments.

To do its job effectively, the Court of Auditors must remain completely independent of the other institutions but at the same time stay in constant touch with them.

One of its key functions is to help the European Parliament and the Council by presenting them every year with an audit report on the previous financial year. Parliament examines the Court's report in detail before deciding whether or not to approve the Commission's handling of the budget. If satisfied, the Court of Auditors also sends the Council and Parliament a statement of assurance that European citizens' money has been properly used.

Finally, the Court informs citizens of the results of its work through reports on subjects of particular interest.

### How is the Court's work organised?

The Court of Auditors has approximately 800 staff, including translators and administrators as well as auditors. The auditors are divided into 'audit groups'. They prepare draft reports on which the court takes decisions.

The auditors frequently go on tours of inspection to the other EU institutions, the member

states and any country that receives aid from the EU. Indeed, although the Court's work largely concerns money for which the Commission is responsible, more than 80% of EU expenditure is managed by the national authorities.

The Court of Auditors has no legal powers of its own. If auditors discover fraud or irregularities they inform OLAF — the European Anti-Fraud Office. OLAF is a department of the European Commission with a special status which ensures total autonomy.



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Ear tags on cows help EU auditors keep track of where EU money has been spent.





# The European Economic and Social Committee: voice of civil society

## KEY FACTS

<b>ROLE //</b>	Represents organised civil society
<b>MEMBERS //</b>	344
<b>TERM OF OFFICE //</b>	Four years
<b>MEETINGS //</b>	Brussels, monthly
<b>ADDRESS //</b>	Rue Belliard 99, B-1040 Brussels
<b>TEL. //</b>	(32-2) 546 90 11
<b>INTERNET //</b>	eesc.europa.eu

Founded in 1957 under the Treaty of Rome, the European Economic and Social Committee (EESC) has 344 members. The number from each EU country roughly reflects the size of its population. The numbers per country are as follows:

France, Germany, Italy and the United Kingdom	24
Poland and Spain	21
Romania	15
Austria, Belgium, Bulgaria, Czech Republic, Greece, Hungary, the Netherlands, Portugal and Sweden	12
Denmark, Finland, Ireland, Lithuania and Slovakia	9
Estonia, Latvia and Slovenia	7
Cyprus and Luxembourg	6
Malta	5
<b>Total</b>	<b>344</b>

The EESC is a consultative body that gives representatives of Europe's interest groups, such as employer organisations and trade unions, and other 'organised civil society' bodies, such as consumer associations, a formal platform to express their points of view on EU issues.

The members are nominated by the EU governments but they work in complete political independence. They are appointed for four years, and may be reappointed.

The Committee meets in plenary assembly, and its discussions are prepared by six sub-committees known as 'sections', each dealing with particular policy areas. It elects its President and two Vice-Presidents for a two-year term. Dimitris Dimitriadis became President of the EESC in October 2006.

## What does the EESC do?

The European Economic and Social Committee has three main roles:

- to advise the European Parliament, Council of the European Union and the European Commission, either at their request or on the Committee's own initiative;
- to encourage civil society to become more involved in EU policymaking;
- to bolster the role of civil society in non-EU countries and to help set up advisory structures.

The Committee's opinions are forwarded to the larger institutions — the Council, the Commission and the European Parliament. It must be consulted before decisions are taken on economic and social, regional and environment policy. It thus has a key role to play in the Union's decision-making process. The EESC is a bridge between the Union and its citizens, promoting a more participatory, more inclusive and therefore more democratic society in Europe.

## Who are the EESC's members?

Working mostly in their countries of origin the members of the Committee form three groups that represent employers, employees, and various other economic and social interests.

The Employers' Group has members from private and public sectors of industry, small and medium-sized businesses, chambers of commerce, wholesale and retail trade, banking and insurance, transport and agriculture.

The Employees' Group represents all categories of employees, from manual to executive. Its members come from national trade union organisations.

The Various Interests Group represents non-governmental organisations (NGOs), farmers' organisations, small businesses, crafts and professions, cooperatives and non-profit associations, consumer and environmental organisations, the scientific and academic communities, and associations that represent the family and the disabled.



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Organisations representing the interests of the family are among the many groups in society whose voice is expressed through the EESC.



# The Committee of the Regions: voice of regional and local government

## KEY FACTS

<b>ROLE //</b>	Represents regional and local authorities
<b>MEMBERS //</b>	344
<b>TERM OF OFFICE //</b>	Four years
<b>MEETINGS //</b>	Brussels, five plenary sessions per year
<b>ADDRESS //</b>	Rue Belliard 101, B-1040 Brussels
<b>TEL. //</b>	(32-2) 282 22 11
<b>INTERNET //</b>	cor.europa.eu

Set up in 1994 under the Treaty on European Union, the Committee of the Regions (CoR) has 344 members. The number from each EU country approximately reflects its population size, as follows:

France, Germany, Italy and the United Kingdom	24
Poland and Spain	21
Romania	15
Austria, Belgium, Bulgaria, Czech Republic, Greece, Hungary, the Netherlands, Portugal and Sweden	12
Denmark, Ireland, Lithuania, Slovakia and Finland	9
Estonia, Latvia and Slovenia	7
Cyprus and Luxembourg	6
Malta	5
<b>Total</b>	<b>344</b>

It is an advisory body composed of representatives of Europe's regional and local authorities. The CoR has to be consulted before EU decisions are taken on matters such as regional policy, the environment, culture, education and transport — all of which concern local and regional government.

The members of the Committee are elected members of, or key players, in local or regional authorities in their home region. They are nominated to the Committee by the national governments and appointed by the Council of the European Union for four years. They may be reappointed. Each country chooses its members in its own way, but the mix must reflect political and geographical balances. If they lose their electoral mandate at home, they will have to stand down from the Committee.

There are four political groups: the European People’s Party, the Party of the European Socialists, the Alliance of Liberals and Democrats for Europe, and the Union for Europe of the Nations–European Alliance.

The President of the CoR is elected for a two-year term from among its members. Michel Delebarre was elected President in 2006.

### What does the Committee do?

The role of the Committee of the Regions is to put forward the local and regional points of view on EU legislation. It does so by issuing reports, or ‘opinions’, on Commission proposals.

The Commission and the Council must consult the CoR before EU decisions are taken on matters that concern local and regional government. This can be employment policy,

the environment, education, culture, vocational training and youth, energy, transport, telecommunications, and public health.

This list is not exhaustive. The Commission, the Council and the European Parliament are free to consult the CoR on other issues. For its part, the Committee can adopt opinions on its own initiative and present them to the Commission, Council and Parliament.

### How is the Committee’s work organised?

Each year the Committee of the Regions holds five plenary sessions, during which its general policy is defined and opinions are adopted.

There are six ‘commissions’ to consider different policy areas and prepare the opinions to be debated in the plenary sessions.



Access to vocational training and lifelong learning across Europe is a primary concern of the Committee of the Regions.



# The European Investment Bank: financing economic development

## KEY FACTS

<b>ROLE //</b>	Finances economic development
<b>MEMBERS //</b>	The EU member states Board of Directors 28, Management Committee 9
<b>ADDRESS //</b>	100, Boulevard Konrad Adenauer, L-2950 Luxembourg
<b>TEL. //</b>	(352) 43 79-1
<b>INTERNET //</b>	www.eib.org

The European Investment Bank (EIB) was set up in 1958 by the Treaty of Rome. Its main role is to lend money for projects of European interest, such as rail and road links, airports, or environmental schemes. It also provides finance for small business investment in the EU and for economic development in candidate countries and the developing world.

Philippe Maystadt became President of the EIB in January 2000.

## What does the Bank do?

The EIB is a non-profit-making, self-financing institution, independent of the EU budget. It is financed through borrowing on the financial markets. The Bank's shareholders — the member states of the European Union — subscribe jointly to its capital, each country's contribution reflecting its economic weight within the Union.

This backing by the member states gives the EIB the highest possible credit rating (AAA)

on the capital markets, where it can therefore raise very large amounts of capital on very competitive terms. This in turn enables the bank to invest in projects of public interest that would otherwise not get the money — or would have to borrow it more expensively.

The projects in which the Bank invests are carefully selected.

Its priorities in the EU are to support:

- cohesion and convergence,
- small and medium-sized enterprises,
- environmental sustainability,
- innovation,
- development of trans-European transport networks, and
- sustainable, competitive and secure energy.

Outside the EU, the EIB supports EU development and cooperation policies in candidate and potential candidate countries, countries around the Mediterranean and in eastern

Europe (including Russia) which are covered by the EU's neighbourhood policy, and countries in Africa, the Caribbean, the Pacific, Asia and Latin America. Lending to these countries focuses on:

- private sector development,
- infrastructure development,
- security of energy supplies, and
- environmental sustainability.

Finally, the EIB is majority shareholder in the European Investment Fund, with which it forms the 'EIB Group'. The Fund invests in venture capital and provides guarantees for small and medium-sized enterprises. It does not lend directly to businesses or invest directly in firms. Instead, it works through banks and other financial intermediaries, providing them with guarantees to cover their loans to small businesses.

The Fund is active in the member states of the European Union and in countries which are candidates for membership.

### How is the Bank's work organised?

The EIB is an autonomous institution. It makes its own borrowing and lending decisions on the merits of each project and the opportunities offered by the financial markets. Each year, it presents a report on all its activities.

The Bank cooperates with the EU institutions. For example, its representatives take part in committees of the European Parliament, and the President of the EIB attends the Council meetings when the economics and finance ministers of the EU countries meet.

The Bank's decisions are taken by the following bodies.

- The Board of Governors consists of ministers (normally the finance ministers) from all the member states. It defines the Bank's general lending policy, approves the balance sheet and annual report, authorises the Bank to fund projects outside the EU and decides on capital increases.
- The Board of Directors approves lending and borrowing operations and it makes sure that the EIB is properly managed. It consists of 28 directors — one nominated by each EU member state and one by the European Commission.
- The Management Committee is the Bank's full-time executive. It handles the EIB's day-to-day business. It has nine members.



The European Investment Bank has lent the Czech Republic money towards better flood protection.



# The European Central Bank: managing the euro

## KEY FACTS

<b>ROLE //</b>	To maintain price stability in the euro area and to conduct monetary policy
<b>MEMBERS //</b>	Governing Council 19, General Council 29, Executive Board 6
<b>ADDRESS //</b>	Kaiserstrasse 29, D-60311 Frankfurt am Main
<b>TEL. //</b>	(49) 691 34 40
<b>INTERNET //</b>	<a href="http://www.ecb.eu">www.ecb.eu</a>

The European Central Bank (ECB) was set up in 1998. It is based in Frankfurt (Germany). Its job is to manage the euro — the EU's single currency, and to safeguard price stability for the more than two-thirds of the EU's citizens who use the euro. The ECB is also responsible for framing and implementing the monetary policy of the euro area.

To carry out its role, the ECB works with the 'European System of Central Banks' (ESCB). Countries which have so far adopted the euro collectively make up the 'euro area'. The central banks of these countries, together with the European Central Bank, make up what is called the 'Eurosystem'.

The ECB works in complete independence. Neither the ECB, the national central banks of the ESCB, nor any member of their decision-making bodies can ask for or accept instructions from any other body. The EU institutions and the governments of the EU countries must respect this principle and must

not seek to influence the ECB or the national central banks.

Jean-Claude Trichet became President of the ECB in November 2003.

## What does the Bank do?

One of the ECB's main tasks is to maintain price stability in the euro area, so that the euro's purchasing power is not eroded by inflation. The ECB aims to ensure that the year-on-year increase in consumer prices is less than, but close to, 2% over the medium term.

It does this by setting benchmark interest rates based on the analysis of economic and monetary developments. It raises interest rates if it wants to curb inflation, and lowers them if it thinks the risk of inflation is limited.

## How is the Bank's work organised?

The Executive Board of the ECB is responsible for implementing monetary policy, as defined by the Governing Council (see below), and for giving instructions to the national central banks. It also prepares the Governing Council meetings and is responsible for the day-to-day management of the ECB.

It comprises the President of the ECB, the Vice-President and four other members, all appointed by common agreement of the presidents or prime ministers of the euro area countries. The Executive Board members are appointed for a non-renewable term of eight years.

The Governing Council is the European Central Bank's highest decision-making body. It comprises the six members of the Executive Board and the governors of the central banks of the euro area. It is chaired by the President of the ECB. Its primary mission is to define the monetary policy of the euro area, and, in particular, to fix the interest rates at which commercial banks can obtain money from the ECB.

The General Council comprises the ECB's President and the Vice-President and the governors of the national central banks of all 27 EU member states. The General Council contributes to the ECB's advisory and co-ordination work and helps prepare for the further enlargement of the euro area.



- EU countries using the euro from January 2008: Austria, Belgium, Cyprus, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Malta, the Netherlands, Portugal, Slovenia and Spain.
- EU countries not using the euro: Bulgaria, the Czech Republic, Denmark, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia, Sweden and the United Kingdom.





# The European Ombudsman: investigating your complaints

## KEY FACTS

<b>ROLE //</b>	To uncover cases of maladministration and propose solutions
<b>TERM OF OFFICE //</b>	Five years, renewable
<b>ADDRESS //</b>	1, Avenue du Président Robert Schuman, BP 403 F-67001 Strasbourg
<b>TEL. //</b>	(33) 388 17 23 13
<b>INTERNET //</b>	<a href="http://ombudsman.europa.eu">ombudsman.europa.eu</a>

The position of European Ombudsman was created by the Treaty on European Union in 1992. The Ombudsman acts as an intermediary between the citizen and the EU authorities. He is entitled to receive and investigate complaints from EU citizens, businesses and organisations, and from anyone residing or having their registered office in an EU country.

The Ombudsman is elected by the European Parliament for a renewable term of five years, which corresponds to Parliament's legislative term. Nikiforos Diamandouros took up the post of European Ombudsman in April 2003 and was re-elected in January 2005 for a five-year term.

## What does the Ombudsman do?

He investigates maladministration in the European Union institutions and bodies. Maladministration means poor or failed administration – in other words, when an institution fails to

act in accordance with the law, or fails to respect the principles of good administration, or violates human rights. Some examples are:

- unfairness,
- discrimination,
- abuse of power,
- lack or refusal of information,
- unnecessary delay,
- incorrect procedures.

The Ombudsman carries out investigations following a complaint or on his own initiative. He operates completely independently and impartially. He does not request or accept instructions from any government or organisation.

## How do I complain to the Ombudsman?

If you want to complain about maladministration by an EU institution or body, the first thing to do is contact that institution or body through the usual administrative channels and try to get them to put the situation right.

If that approach fails, you can complain to the European Ombudsman.

You must make your complaint to the Ombudsman within two years of the date on which you became aware of the act of maladministration. You must clearly state who you are, which institution or body you are complaining about, and what problem you are complaining about. You may ask for the complaint to remain confidential.

For practical guidance on making your complaint, go to the Ombudsman's website: [ombudsman.europa.eu](http://ombudsman.europa.eu)

## What result can I expect?

If the Ombudsman cannot deal with your complaint — for example, if it has already been the subject of a court case — he will do his best to advise you which other body may be able to help.

To resolve your problem, the Ombudsman may simply need to inform the institution or body concerned. If the problem is not cleared up during his inquiries, the Ombudsman will try to find a friendly solution which puts the matter right and satisfies you.

If this fails, the Ombudsman can make recommendations to resolve the issue. If the institution concerned does not accept his recommendations, he can make a special report to the European Parliament so that it can take whatever political action is necessary.

Every year, the Ombudsman presents the European Parliament with a report on all his work.



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If your file is not getting the right attention, the Ombudsman is there to help.



# The European Data Protection Supervisor: safeguarding your privacy

## KEY FACTS

<b>ROLE //</b>	To protect personal data processed by the EU institutions
<b>TERM OF OFFICE //</b>	Five years, renewable
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<b>TEL. //</b>	(32-2) 283 19 00
<b>INTERNET //</b>	edps.europa.eu

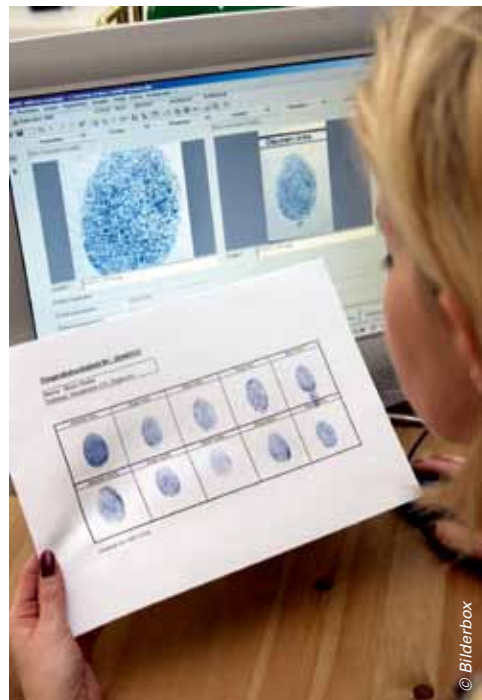
The position of European Data Protection Supervisor (EDPS) was created in 2001. The responsibilities of the EDPS are to make sure that the EU institutions and bodies respect the right to privacy when processing personal data.

## What does the EDPS do?

When EU institutions and bodies process personal data about an identifiable person, they must respect that person's right to privacy. The EDPS makes sure they do.

'Processing' covers activities such as collecting data, recording and storing them, retrieving them for consultation, sending them or making them available to other people, and also blocking, erasing or destroying them.

There are strict privacy rules governing these activities. For example, EU institutions and bodies are, in general, not allowed to process personal data that reveal your racial or ethnic origin, political opinions, religious or



The EDPS checks that there are no abuses of personal privacy rights when illegal immigrants and asylum seekers have their fingerprints taken.

philosophical beliefs or trade union membership.

The EDPS works with the data protection officers in each EU institution or body to ensure that the privacy rules are applied.

The EDPS gives advice on all matters that concern the processing of personal data — both on processing done by the EU institutions and bodies, and on proposals for new legislation. It cooperates with national protection authorities in the EU countries, as well as with other actors in this field.

In 2004, Peter Johan Hustinx was appointed as European Data Protection Supervisor.

## How can the EDPS help you?

If you have reason to believe that your right to privacy has been infringed by an EU institution or body, you should firstly address the people responsible for the processing. If you are not satisfied with the outcome, you should contact the relevant data protection officer (the names can be found on the EDPS website).

You can also complain to the European Data Protection Supervisor, who will investigate your complaint and let you know the outcome as soon as possible. The EDPS can, for example, order the institution or body concerned to correct, block, erase or destroy personal data that have been unlawfully processed.

If you disagree with his decision, you may take the matter to the Court of Justice.



# Agencies

An agency is not an EU institution: it is a body set up by a specific piece of EU legislation to carry out a particular task. Not all EU agencies have the word 'agency' in their official title: they may instead be called, for example, a centre, foundation, institute, or office.

## Community Fisheries Control Agency (CFCA)

**Location:** Vigo, Spain  
(provisional headquarters: Brussels, Belgium),  
[ec.europa.eu/cfca/index\\_en.htm](http://ec.europa.eu/cfca/index_en.htm)

This agency promotes and coordinates effective and uniform compliance with the rules of the common fisheries policy, in particular the protection of fish stocks.

## Community Plant Variety Office (CPVO)

**Location:** Angers, France  
[www.cpvo.europa.eu](http://www.cpvo.europa.eu)

The CPVO administers a system of plant variety rights, equivalent to a patent for new plant varieties. These are protected for 25 or 30 years depending on the type of plant.

## Education, Audiovisual and Culture Executive Agency (EACEA)

**Location:** Brussels, Belgium  
[eacea.ec.europa.eu](http://eacea.ec.europa.eu)

This agency manages the practical aspects of the EU programmes which provide funding for youth, student and teacher programmes, and cultural and media activities.

## Eurojust

**Location:** The Hague, Netherlands  
[eurojust.europa.eu](http://eurojust.europa.eu)

Eurojust helps investigators and prosecutors across the EU work together in fighting cross-border crime. It plays a key role in the exchange of information and extradition.

## European Agency for the Management of Operational Coordination at the External Borders of the Member States of the EU (Frontex)

**Location:** Warsaw, Poland  
[frontex.europa.eu](http://frontex.europa.eu)

Frontex assists the EU countries in implementing EU rules on external border controls consistently and in returning illegal immigrants to their countries of origin.

## European Agency for Reconstruction (EAR)

**Location:** Thessaloniki, Greece  
[ear.europa.eu](http://ear.europa.eu)

The EAR manages EU programmes for providing assistance with reconstruction, and economic and social development, to war-damaged countries in the Balkan region.

## European Agency for Safety and Health at Work (OSHA)

**Location:** Bilbao, Spain  
[osha.europa.eu](http://osha.europa.eu)

This agency pools and raises awareness of knowledge and information on health and safety at work, with an emphasis on creating a culture of effective prevention.

## European Aviation Safety Agency (EASA)

**Location:** Cologne, Germany  
easa.europa.eu

The EASA promotes the highest possible standards of safety and environmental protection in EU civil aviation, and provides certification for planes and components.

## European Centre for the Development of Vocational Training (Cedefop)

**Location:** Thessaloniki, Greece  
cedefop.europa.eu

The centre promotes the development of vocational education and training. It is a centre of expertise for the dissemination of knowledge and support for policymaking.

## European Centre for Disease Prevention and Control (ECDC)

**Location:** Stockholm, Sweden  
ecdc.europa.eu

ECDC identifies, assesses and provides information on current and emerging threats to human health from infectious diseases, such as influenza, SARS and HIV/AIDS.

## European Chemicals Agency (ECHA)

**Location:** Helsinki, Finland  
ec.europa.eu/echa

The agency manages the technical, scientific and administrative aspects of REACH, the EU registration system for chemicals.

## European Defence Agency (EDA)

**Location:** Brussels, Belgium  
eda.europa.eu

The EDA helps promote coherence in place of fragmentation in Europe's defence and security capabilities, including in armaments and equipment, research and operations.

## European Environment Agency (EEA)

**Location:** Copenhagen, Denmark  
eea.europa.eu

The EEA provides policymakers and the public with information to help promote sustainable development and improvements in Europe's environment.

## European Food Safety Authority (EFSA)

**Location:** Parma, Italy  
efsa.europa.eu

The authority provides the Commission and the public with independent scientific advice on food safety and risks in the food chain 'from farm to fork'.

## European Foundation for the Improvement of Living and Working Conditions (Eurofound)

**Location:** Dublin, Ireland  
eurofound.europa.eu

The foundation is a hub of information on social policy issues, including employment and living conditions, industrial relations and partnership, and social cohesion.

## European Global Navigation Satellite System Supervisory Authority (GSA)

**Location:** Brussels, Belgium (provisional headquarters)  
ec.europa.eu/transport/gsa

This agency manages Europe's satellite navigation programmes (notably Galileo and EGNOS), which are giving Europe its own capability and the latest technology in this field.

## European Institute for Gender Equality

**Location:** Vilnius, Lithuania

This new institute promotes gender equality, including gender mainstreaming, and supports the fight against discrimination.

## European Maritime Safety Agency (EMSA)

**Location:** Lisbon, Portugal  
[emsa.europa.eu](http://emsa.europa.eu)

EMSA provides the Commission and the EU countries with technical and scientific advice on how to improve safety and security at sea and prevent marine pollution.

## European Medicines Agency (EMA)

**Location:** London, United Kingdom  
[ema.europa.eu](http://ema.europa.eu)

EMA advises the Commission when human and veterinary medicines are ready to be put on the EU market. It monitors adverse effects, and provides scientific advice.

## European Monitoring Centre for Drugs and Drug Addiction (EMCDDA)

**Location:** Lisbon, Portugal  
[emcdda.europa.eu](http://emcdda.europa.eu)

The centre is a source of objective, reliable and comparable information on drugs and drug addiction in order to help policymakers identify common problems and goals.

## European Network and Information Security Agency (ENISA)

**Location:** Heraklion (Crete), Greece  
[enisa.europa.eu](http://enisa.europa.eu)

ENISA helps ensure that information networks and the data they carry are secure by collecting information, analysing risks, raising awareness and promoting best practice.

## European Police College (CEPOL)

**Location:** Bramshill, United Kingdom  
[cepol.net](http://cepol.net)

The college trains senior EU police officials and prepares training programmes for middle-ranking officers, with a particular emphasis on combating cross-border crime.

## European Police Office (Europol)

**Location:** The Hague, Netherlands  
[www.europol.europa.eu](http://www.europol.europa.eu)

Europol aims at improving the effectiveness and cooperation of law enforcement authorities in the EU countries in their fight against international organised crime.

## European Railway Agency (ERA)

**Location:** Lille/Valenciennes, France  
[www.era.europa.eu](http://www.era.europa.eu)

This agency works on common approaches to railway safety and common standards for interoperability of railways to pave the way for a fully integrated EU network.

## European Training Foundation (ETF)

**Location:** Turin, Italy  
[etf.europa.eu](http://etf.europa.eu)

The ETF helps improve vocational training in non-EU countries, mainly around the Mediterranean, in eastern Europe and in Russia.

## European Union Agency for Fundamental Rights (FRA)

**Location:** Vienna, Austria  
[fra.europa.eu](http://fra.europa.eu)

This agency collects and disseminates objective, and comparable information on fundamental rights matters, and advises on how to promote these rights. This can be in relation to racism and xenophobia but also other fundamental rights.

## European Union Institute for Security Studies (EUISS)

**Location:** Paris, France  
[www.iss-eu.org](http://www.iss-eu.org)

The institute aims to help create a common European security culture, to enrich the strategic debate, and systematically to promote the security interests of the Union.

## European Union Satellite Centre (EUSC)

**Location:** Torrejón de Ardoz, Spain  
[www.eusc.europa.eu](http://www.eusc.europa.eu)

The centre collects and analyses data and images from earth observation satellites in support of EU foreign and security policy priorities and humanitarian activities.

## Executive Agency for the Public Health Programme (PHEA)

**Location:** Luxembourg  
[ec.europa.eu/phea](http://ec.europa.eu/phea)

PHEA manages the practicalities of EU funding programmes for public health projects, and feeds the results back to public-health stakeholders and policymakers.

## Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)

**Location:** Alicante, Spain  
[www.oami.europa.eu](http://www.oami.europa.eu)

The office registers trade marks and designs. These are then valid across the EU. This system exists side-by-side with the individual EU countries' domestic registration systems.

## Translation Centre for the Bodies of the European Union (CDT)

**Location:** Luxembourg  
[cdt.europa.eu](http://cdt.europa.eu)

The centre provides translation services for the specialised agencies of the EU.



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The European Aviation Safety Agency is working to make flying ever safer and environmentally sustainable.



European Commission

## **How the European Union works**

### **Your guide to the EU institutions**

Luxembourg: Office for Official Publications of the European Communities

2007 — 46 pp. — 16.2 x 22.9 cm

ISBN 92-79-03653-X

The European Union (EU) is unique. It is not a federal state like the United States of America because its member countries remain independent sovereign nations. Nor is it a purely intergovernmental organisation like the United Nations because the member countries do pool some of their sovereignty — and thus gain much greater collective strength and influence than they could have acting individually.

They pool their sovereignty by taking joint decisions through shared institutions such as the European Parliament, which is elected by the EU citizens, and the Council, which represents national governments. They decide on the basis of proposals from the European Commission, which represents the interests of the EU as a whole. But what does each of these institutions do? How do they work together? Who is responsible for what?

This booklet sets out the answers in clear and simple language. It also gives a brief overview of the agencies and other bodies that are involved in the European Union's work. The aim is to provide you with a helpful guide to EU decision-making.

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# The European Union



# How the European Union works

## Your guide to the EU institutions

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