

**EAST MIDLANDS REGIONAL ASSEMBLY  
MEMBERS OF EUROPEAN PARLIAMENT REPORT  
Friday 1 December 2006**

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**Report From Glenis Willmott MEP**

**Synopsis**

Since July, when I last reported to the Regional Assembly, I have continued my various visits and meetings around the Region, while being fully involved in the legislative process in Brussels and Strasbourg. Below is a brief report on my activities on behalf of the East Midlands. Further details are always available on my website [www.gleniswillmott.org.uk](http://www.gleniswillmott.org.uk)

**Visits & Meetings around the Region**

These have included further meetings with Council leaders & other councillors, with officials at GOEM, the Regional CBI, and representatives of other Regional and sub-regional organisations.

Visits have included companies such as Lubrizol to discuss the REACH proposals, and Acetate Products on EU energy prices, and a meeting with Lincolnshire & Rutland Education Business Partnership to discuss their project to raise young people's awareness of the EU. Other visits have included Lincoln University, JET Education & Training project in Derby, Melton Mowbray Food Fair, and a speech in Leicester to a conference on women entrepreneurs. I also visited a variety of events in connection with ITV's Big Clean Up campaign.

**Local Casework**

European issues which have each been raised by a number of constituents have included a substantial lobby on the REACH proposals, the EU Water Initiative, experiments on primates, seal products, the Waste Framework directive, wheelchairs and the trade in wild birds. In addition, I have taken up a variety of individual constituents concerns.

## **Parliament**

Since becoming Whip of the European Parliamentary Labour Party, it has increased the opportunities for holding regular bilateral meetings with Government Ministers.

I have been campaigning to combat cervical cancer in my role as co-chair of the European Parliament's Cervical Cancer Interest Group and I am currently drawing up a cervical cancer manifesto which I hope to present in January to the EU Health Commissioner as part of the European Cervical Cancer Prevention Week.

As far as my work in the European Parliament's committees is concerned, I have had many amendments to the reports on medical devices and pyrotechnic articles accepted, which will assist in reducing the anti-social use of fireworks and ensure that medical devices in the EU are safer.

I have also been campaigning against the advertising of foods high in fat, sugar and salt to young children in association with Which? and the British Heart Foundation and these ideas have now been taken up by Ofcom.

Just two weeks ago the European Parliament passed legislation on opening up the services market in the EU - one of the final pieces in the jigsaw of establishing the Internal Market. It will mean that UK businesses offering services abroad will no longer face barriers, being able to operate on the same conditions as local businesses. It has the potential to boost prosperity and lift Europe out of the economic doldrums. Europe will be in a better position to compete with the booming market in services in India and China.

## **Comments on Single Market & Climate Change**

### **Single Market**

This is an immense issue – and indeed central to the success of the EU. Members of the Assembly may find the following brief bullet points useful:

#### **Economic benefits**

- In its first ten years of existence (since 1 January 1993) the Single Market created 2.5 million jobs and 877 billion euros of extra prosperity. That means €5,700 per household on average.
- The Single Market has enhanced the ability of EU firms to compete in global markets and exports from the EU to third countries have doubled since 1992.

- The Single Market has made Europe a much more attractive location for foreign investors. New inflows of foreign direct investment into the European Union have more than doubled as a percentage of GDP.

### **Benefits for business**

- Trade within the EU has become much easier. The absence of border bureaucracy has cut delivery times and reduced costs. Before the frontiers came down, the tax system alone required 60 million customs clearance documents annually: these are no longer needed.
- The mutual recognition principle means that in most cases companies can do business across the EU by complying with the rules in their home Member State.
- In many cases, rather than adding to red tape, EU Directives and Regulations replace a large number of complex and different national laws with a single framework, often reducing compliance costs for businesses, who pass those savings on to consumers.
- New export markets have been opened up to small and medium-sized enterprises who previously would have been prevented from exporting by the costs and difficulties involved.
- Any business in the EU can benefit from the huge potential market that is the European Union: 25 countries with over 450 million potential customers.

### **Benefits for citizens/consumers**

- EU citizens can travel across most of the EU without carrying a passport and without being stopped for checks at the borders. Shoppers have full consumer rights when shopping outside their country and there are no limits on what they can buy and take with them, as long as the products purchased are for personal use.
- More advantageous prices: manufacturers and service providers have to keep prices down because they are selling into a single competitive market of 450 million people.
- Phone calls, internet access and air travel have all become cheaper. Technology combined with Single Market liberalisation means, for example, that prices charged by the old national monopolies for national calls have been brought down to a fraction of what they were.
- More competition in public procurement means better value and higher quality services for the taxpayer.

### **Areas for improvement**

- The single market is an ongoing process and far from complete. The more complete it becomes the more we will all see the benefits.

- Energy liberalisation is needed to improve efficiency and reduce prices by dismantling monopolies enjoyed by state-owned or recently privatised companies. This means opening up energy markets to competition from new suppliers. High energy prices are already posing many problems for local East Midlands businesses so this area is a priority which will be tackled in 2007.
- As mentioned earlier - opening up the services sector is of key importance to the completion of the single market.
- Of course not all measures aimed at completing and improving the single market are perfect. Therefore two important words high on the European Union agenda are 'better regulation'. This can be described as the aim of simplifying and modernising the regulatory environment in Europe. A far-reaching simplification programme is currently being carried out precisely in order to lessen some of the burden on business and consumers. Next year alone 47 simplification initiatives will be presented by the Commission. Additionally the Commission is currently in the process of withdrawing proposed legislation which has still not been approved by the European Parliament and the Council of Ministers, and is no longer considered to be necessary or relevant and would simply create administrative hurdles.

### **Climate Change**

This is another huge topic worthy of far more time and opportunity for discussion. In the short space and time available, I would just like to make the following points.

#### **International treaties:**

- The EU has played a key role in the development of the two major treaties, which provide the only international convention for fighting climate change, the United Nations Framework Directive on Climate Change and its Kyoto Protocol. The EU played a major role in bringing the negotiations on the Kyoto Protocol to a successful conclusion, in particular after the US withdrawal.
- The Kyoto Protocol sets legally binding limits on greenhouse gas emissions in industrialised countries and envisages innovative market-based implementation mechanisms aimed at keeping the cost of curbing emissions low. Under the Kyoto Protocol, industrialised countries are required to reduce the emissions of six greenhouse gases (CO<sub>2</sub>, being the most important one), on average by 5.2 % below the 1990 levels during the first "commitment period" from 2008 to 2012.
- The EU-15 is committed to deliver the collective 8% cut in emissions by 2008-2012 to which it signed up under the Kyoto Protocol.

**Emission's Trading Scheme:**

- The EU's emission trading scheme will play a key role in reducing the EU's own greenhouse emissions. The Emissions Trading Scheme (ETS) enables companies exceeding individual CO<sub>2</sub> emissions targets to buy allowances from 'greener' ones and help reach the EU targets under the Kyoto Protocol. Since 2005, some 12,000 large industrial plants in the EU are able to buy and sell permits to release carbon dioxide into the atmosphere.
- An emission cap is defined, for each individual plant, in a National Allocation Plan (NAP) submitted by member states and approved by the Commission. Companies exceeding their quotas are allowed to buy unused credits from those doing better at cutting their emissions.
- A fine of €40 per excess tonne of CO<sub>2</sub> emitted will be imposed on plants exceeding their individual target, rising to €100 in 2008.

**Aviation Pollution:**

- Growing air traffic makes an increasing contribution to greenhouse gas emissions and global warming and the EU is leading the way in trying to deal with this. The Commission has suggested to cap CO<sub>2</sub> emissions for all airplanes departing from EU airports and allow airlines to trade their potential surplus "pollution credits" on the EU "carbon market" A formal legislative proposal is expected in Dec 2006 with inclusion of aviation in the Emission's Trading Scheme by 2011.

**Renewable Energy sources:**

- The emergency of global warming has played its part in restarting the debate on the need for a European energy policy. The Commission in March 2006 issued a 'Green Paper' spelling out options to achieve "sustainable, competitive and secure" energy supplies in the EU. The EU's Renewables Directive has been in place since 2001 and aims to increase the EU's share of electricity produced from renewable energy sources to 21% (up from 15.2% in 2001), thus contributing to reach the overall target of 12% of energy consumption from renewables by 2010. Although many member states are struggling to reach their national goals, the European Parliament and environmental groups have now called for even more ambitious targets for 2020.

**Despite many of these achievements the EU still has a great deal of work to do if it is serious about fighting climate change:**

- There are several problems with the Emissions Trading Scheme. Official EU data published in May 2006 showed that a group of countries, including large polluters such as Germany, were left with 44.1 million

tonnes extra CO2 allowances for the year 2005. Of the EU's major polluters, only the UK had emitted more than its quota, forcing it to buy over 30 million tonnes extra allowances on the EU carbon market.

- The new member states (EU-10) are below their Kyoto targets but this is more due to the restructuring of their economies; in the last few years their emissions are also rising again. A recent report by Friends of the Earth and the CEE Bankwatch Network found that a mere £2bn out of the new members' £106bn budget will be spent on sustainable energy projects. More needs to be done to bring the new member states in line with the rest of the EU.
- The EU is trying to balance the concerns of industry with environmental protection. While European industry has expressed worries that the EU's climate change policy might undermine its competitive position in the world economy, Green NGOs, on the other hand, think that EU policies do not go far enough and are demanding from the EU more ambitious targets and policies. Just last month the European Environment Agency warned, that with existing measures, only two EU-15 countries (Sweden and UK) would reach their reduction targets. While the EU is at the forefront of international efforts to combat climate change, a great deal more work still needs to be done in this area.

**Glenis Willmott MEP**