

# Unit 7: Chapter 25

## THE EUROPEAN UNION

# Learning Outcomes from this chapter

## *On completion, you should be able to:*

- Explain the purpose of the main EU policies and directives
- Explain the role of the different decision-making institutions in the European Union
- Outline the decision-making process in the European Union
- Distinguish between a directive, a regulation and a decision
- Evaluate the role of special interest groups in the European Union
- Evaluate the impact of different EU policies on Irish business
- Discuss the advantages of Ireland being a member of the European Monetary Union
- Discuss the benefits and challenges of Ireland being a member of the European Union

# EU institutions

<b>The European Commission</b>	<ul style="list-style-type: none"><li>• Makes decisions on the Commission's strategies and policies</li><li>• Proposes new laws for the EU for discussion and adoption by Parliament and the Council</li><li>• Proposes the funding programmes and EU budget</li></ul>
<b>The European Parliament</b>	<ul style="list-style-type: none"><li>• Discusses/debates proposed new legislation and the EU budget</li><li>• Makes amendments and sends it back to the Commission (if needed)</li><li>• Acts as a co-legislator, sharing power with the Council</li></ul>
<b>The Council of the European Union</b>	<ul style="list-style-type: none"><li>• Negotiates/adopts proposed EU laws from the Commission</li><li>• Adopts annual EU budget (jointly with European Parliament)</li><li>• Concludes agreements between the EU and other countries</li></ul>

# EU institutions (*cont.*)

<b>The European Council</b>	<ul style="list-style-type: none"><li>• Sets the overall political direction of the EU</li><li>• Discusses complex issues facing the EU (but has no power to decide on new laws)</li></ul>
<b>The European Court of Auditors</b>	<ul style="list-style-type: none"><li>• Acts as an external auditor of EU accounts</li><li>• Financial watchdog for EU, warns and guides policy makers</li></ul>
<b>The Court of Justice of the European Union</b>	<ul style="list-style-type: none"><li>• Interprets EU law so it is applied in the same way in all EU countries</li><li>• Settles legal disputes between governments and EU institutions</li></ul>



# The decision-making process of the EU

1. The European Commission is the executive body of the EU. It is the body responsible for drafting and proposing legislation.
2. The European Parliament discusses proposals and puts forward amendments to legislation.
3. The Council of the European Union is the main decision-making body of the EU. If they agree to the proposal, there is co-decision with the European Parliament.
4. Once legislation is passed by the Council of the European Union and Parliament, it is the Commission's responsibility to implement it using regulations, directives and decisions.

# Different types of rules the EU can make

<b>EU directive</b>	Allows each member state to decide on how to achieve a particular result that the EU requires member states to reach within a certain time limit
<b>EU regulation</b>	Becomes enforceable immediately as law in its entirety in all member states simultaneously
<b>EU decision</b>	A legal instrument the EU can use that is binding upon specific people or countries

# Special interest groups in the EU

Special interest groups play a role in the EU decision-making process, particularly during the consultation stage.

Most are based in Brussels/Strasbourg. They lobby, protest and use information campaigns to promote the views of their members (e.g. Irish Farmers' Association).



# EU policies

<b>Economic and Monetary Union (EMU)</b>	19 EU states use the euro; no transactions costs; risk of currency fluctuations; easy price comparisons; price stability
<b>Common Fisheries Policy (CFP)</b>	Prevents overfishing in the EU (mesh size in nets); aids fishers; rules on who can fish in different EU waters
<b>Common Agricultural Policy (CAP)</b>	Provides direct payments to farmers to increase income; stabilises and regulates prices; Ireland gets structural funds
<b>European Union Competition Policy</b>	Ensures fair competition within the EU; restricts cartels or monopolies; controls growth of mergers or takeovers
<b>European Social Charter</b>	Free movement of labour between states; right to a fair wage; forces businesses to improve health and safety procedures