

Chapter 23 – EUROPEAN UNION & IRELAND

PAST EUROPEAN UNION AND IRELAND EXAM QUESTIONS

<p>2019 - EVALUATE THE ROLE OF THE EU INSTITUTIONS IN THE DECISION MAKING PROCESS OF THE EUROPEAN UNION</p> <p>The European Commission - is the executive body of the EU. It is the body responsible for proposing legislation. Once legislation is passed by the Council of the European Union and Parliament, it is the Commission's responsibility to ensure it is implemented</p> <p>The European Parliament - discusses proposals and puts forward amendments to legislation. It has co-decision powers - on an equal footing with the Council of the European Union in the vast majority of areas. It establishes/approves the EU budget together with the Council of the European Union.</p> <p>The Council of the European Union - decides on legislation drafted by the European Commission and discussed by the European Parliament. It is the main decision-making body of the EU. (NEED TO EVALUATE)</p>	<p>2019 - EXPLAIN THE REASONS WHY AN IRISH BUSINESS MAY CHOOSE TO TRADE WITH OTHER BUSINESSES IN THE EUROZONE.</p> <ol style="list-style-type: none"> 1. The single currency, the Euro, the cost of converting currencies is removed. This reduces costs and increases profits for Irish businesses. 2. The increased price transparency will make it easier to compare prices, Enable businesses to source cheaper raw materials. 3. Businesses will be more conscious of competition - more efficient. 4. The uncertainty caused by exchange rates will be removed. This brings stability to Irish businesses, greater confidence and time to concentrate on innovation. 	<p>2018 - MEMBERSHIP OF THE ECONOMIC AND MONETARY UNION (EMU) HAS BEEN GOOD FOR IRISH BUSINESS. DO YOU AGREE WITH THIS STATEMENT? OUTLINE REASONS FOR YOUR ANSWER.</p> <p>Yes/Maybe</p> <ol style="list-style-type: none"> 1. Reduction of transaction costs in trade - trade can occur without changing currency. 2. Easier for companies to locate here -and have the same currency as much of Europe. 3. Reduction in price discrimination - single currency it should be harder to disguise price differences across countries. 4. Reduction in foreign exchange rate variability 5. Tourism industry. - It is easier for foreign visitors to holiday in Ireland resulting in 6. Easier for Irish business to expand into Europe as all transactions can be conducted 7. Stable interest rates as they are only changed by the ECB
<p>2018 - WRITE TRUE OR FALSE AFTER EACH OF THE FOLLOWING STATEMENTS.</p> <p>1. False 2. False 3. False 4. True 5. True</p>	<p>2017 - SHOULD IRELAND LEAVE THE EUROPEAN UNION? OUTLINE REASONS FOR YOUR ANSWER.</p> <p><u>Reasons for leaving the EU</u></p> <ol style="list-style-type: none"> 1. Extra regulations: The EU places extra regulations on business which will increase business costs. Example: Mobile operator Three is raising its monthly prices by up to €5, blaming costs and new roaming regulations. 2. Loss of decision-making powers: Rules and regulations impose constraints. The national government will not have complete control over its decisions 3. BREXIT: Has created huge uncertainty for Ireland's economic future. May have huge consequences for Irish trade. Exports to UK tariffs and quotas are placed on them Immigration: Free movement of labour may cause overcrowding in large urban areas. 4. This can push up house prices and led to congestion on roads. 5. Threats to Ireland's corporation tax: A push towards harmonised tax rates 	<p>2017 - EXPLAIN THE ROLE OF THE EUROPEAN COMMISSION. (any 1)</p> <p>Drafts proposals for new laws: The Commission is the sole EU institution tabling laws for adoption by the Parliament and the Council that protect the interests of the EU and its citizens on issues that can't be dealt with effectively at national level.</p> <p>Implements laws/Enforces existing legislation Together with the Court of Justice, ensures that EU law is properly applied in all the member countries.</p> <p>Represents the EU internationally Speaks on behalf of all EU countries in international bodies, in particular in areas of trade policy and humanitarian aid. Negotiates international agreements for the EU.</p> <p>Manages the EU Budget o Sets EU spending priorities, together with the Council and Parliament. o Draws up annual budgets for approval by the Parliament and Council. o Supervises how the mon</p>
<p>2017 - NAME THE TWO OTHER MAIN DECISION MAKING INSTITUTIONS OF THE EUROPEAN UNION.</p> <p>The European Parliament Council of the European Union (Council of Ministers)</p>	<p>2016 - FILL IN THE NAMES OF THE THREE DIFFERENT EUROPEAN UNION INSTITUTIONS</p> <p>European Commission <i>Drafts a proposal.</i></p> <p>European Parliament <i>Approves or rejects a proposal.</i></p> <p>Council of EU <i>Adopts a proposal, making it law.</i></p>	<p>2015 - OUTLINE HOW EU DIRECTIVES AND REGULATIONS ARE FORMULATED AND IMPLEMENTED.</p> <p>Stage 1 - Proposal by the commission The European Commission is the executive body of the EU. It is the body responsible for proposing legislation/drafting legislation.</p> <p>Stage 2 - Consultation with the EU Parliament stakeholders' groups These proposals are then discussed in the European Parliament and amendments to legislation can be put forward.</p> <p>Stage 3 - redrafting by commission Decisions are usually made by the Council of the European Union. It is the main decision making body of the EU</p>
<p>2015 - OUTLINE HOW EU DIRECTIVES AND REGULATIONS ARE FORMULATED AND IMPLEMENTED.</p> <p>Stage 4 - Approval by Council Once legislation is passed by the Council of the European Union and Parliament (co-decision) it is the Commission's responsibility to ensure it is implemented through a series of directives and regulations.</p> <p>Stage 5 - Implementation by commission and national governments</p>	<p>2015 - OUTLINE HOW EU DIRECTIVES AND REGULATIONS ARE FORMULATED AND IMPLEMENTED.</p> <p>EU Directive: Member states change their national laws to allow for EU rules, within a certain time limit. It is binding only as to the results to be achieved, leaving member states to choose, within the limits, They are used to bring different national laws into line with each other WEEE (Waste, electrical, and electronic equipment Directive, Health and Safety at work Directive.)</p> <p>EU Regulation: This is a legislative act of the EU which becomes enforceable immediately as law in its entirety in all member states simultaneously. It takes precedence over national law. It is self-executing and does not require any implementing measures.</p>	<p>2014 - DESCRIBE THE LEGISLATIVE PROCESS WITHIN THE EU</p> <p>Stage 1 - Proposal by the commission The European Commission is the executive body of the EU. It is the body responsible for proposing legislation</p> <p>Stage 2 - Consultation with the EU Parliament stakeholders' groups These proposals are then discussed in the European Parliament and amendments to legislation can be put forward. There is a democratic deficit however because the European Parliament neither initiates nor passes legislation on its own etc.</p> <p>Stage 3 - redrafting by commission Decisions are usually made by the Council of the European Union. It decides on legislation drafted by the European Commission and discussed by the European Parliament. It is the main decision making body of the EU</p>

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<p>2014 - DESCRIBE THE LEGISLATIVE PROCESS WITHIN THE EUROPEAN UNION. Stage 4 - Approval by Council Once legislation is passed by the Council of the European Union and Parliament, it is the Commission's responsibility to ensure it is implemented</p> <p>Stage 5 - Implementation by commission and national governments Regulations/Directives/Decisions etc. Decisions/legislation can be adjudicated upon by the Court of Justice. The Court of Justice interprets EU law to make sure it is applied in the same way in all EU countries etc.</p>	<p>2014 - EVALUATE THE IMPACT THE FOLLOWING EU POLICIES HAVE ON IRISH BUSINESSES: EMU</p> <ol style="list-style-type: none"> 1. a reduction in transaction costs and end to destabilising currency shifts within Europe. The elimination of these transaction costs benefit a country like Ireland whose businesses export a considerable amount of its output to the European Union. 2. A single currency highlights price differentials. Businesses sourcing raw materials and components can readily identify the best bargains throughout the EU. 3. Has a monetary policy that focuses on price stability. Includes setting interest rates for the Euro zone. low interest rates facilitate business expansion and investment. 4. Ireland's common currency is an attraction for FDI because trade within a large European market is less bureaucratic and relatively cheap. Increased FDI has positive spin-off effects for Irish indigenous industry. 	<p>2014 - EVALUATE THE IMPACT THE FOLLOWING EU POLICIES HAVE ON IRISH BUSINESSES: (Competition Policy)</p> <ol style="list-style-type: none"> 1. It ensures the best chance for the Irish consumer of getting quality goods and services through suppliers competing for the business, i.e. competition among suppliers. 2. It restricts Irish businesses from forming anti-competitive cartels or keeping prices artificially high or preventing newcomers from entering the market. It controls large mergers and takeovers and this ensures that Irish businesses operate on a fair basis and that consumers benefit. 3. In doing business with smaller firms, large firms may not use their bargaining power to impose conditions which would make it difficult for their supplier to do business with the large firm's competitors. 4. The European Commission can and does fine companies for any unfair practices.
<p>2014 - EVALUATE THE IMPACT THE FOLLOWING EU POLICIES HAVE ON IRISH BUSINESSES: (Social Charter)</p> <ol style="list-style-type: none"> 1. sets out basic principles that impact on Irish businesses: 2. Free movement of Labour. Workers have the right to migrate freely which benefits employers in terms of recruitment and selection. 3. Employees have the right to a fair wage. The establishment of the minimum wage level has increased costs for business. 4. A commitment to vocational training through grant aid directly to trainees has greatly up-skilled the labour force benefiting Irish businesses. 5. Health protection and safety at work elements to the charter have forced employers to improve health and safety conditions in the work place. 	<p>2013 - DISCUSS THE BENEFITS FOR THE IRISH ECONOMY OF ON-GOING MEMBERSHIP OF THE EU</p> <ol style="list-style-type: none"> 1. The creation of the Single Market eliminated trade barriers within the EU, allowing for the free movement of goods, services, labour and capital between member states. 2. Farmers, under the Common Agricultural Policy (CAP), are paid appropriate prices for their produce. Between 1973 and 2008, Irish farmers received €44 billion from (CAP). 3. Structural funds of over €17 billion have been made available to Ireland from the European Regional Development Fund helping improve roads and public transport 4. Irish economy became a much more attractive prospect for foreign direct investment (FDI), thereby creating employment opportunities. 5. The introduction of the single currency brought additional incentives for foreign investors to locate in Ireland, along with relative price stability. The euro has made life easier for Irish businesses and travellers trading or visiting in the euro zone. 	<p>2013 - DISCUSS THE BENEFITS FOR THE IRISH ECONOMY OF ON-GOING MEMBERSHIP OF THE EU</p> <ol style="list-style-type: none"> 6. The EU's environmental directives and promotion of the use of renewable sources of energy sees Ireland businesses as strategically positioned to benefit from wind and wave power instead of fossil fuels. 7. Irish researchers have benefited significantly from funding available under EU framework programmes, supported Irish research to the tune of approximately €200m 8. Administration costs for business have been reduced and bureaucracy lessened as thousands of administrative forms previously required for trade have been eliminated. 9. The harmonisation of taxes throughout the EU ensures that competition is not distorted, e.g. VAT rates and excise duties are approximated between member states.
<p>2013 - DISTINGUISH BETWEEN A 'DIRECTIVE' AND A 'REGULATION' AS LEGISLATIVE INSTRUMENTS WITHIN THE EU.</p> <p><u>EU Directive:</u></p> <ol style="list-style-type: none"> 1. This is a legal instrument used to implement and enforce an EU law in member states. It obliges member states to change their national laws to allow for EU rules, within a certain time limit. 2. It is binding only as to the results to be achieved; leaving member states to choose, within prescribed limits, the means by which the rules and targets are to be attained. 3. They are used to bring different national laws into line with each other and are common in matters affecting the operation of the Single Market 	<p>2013 - DISTINGUISH BETWEEN A 'DIRECTIVE' AND A 'REGULATION' AS LEGISLATIVE INSTRUMENTS WITHIN THE EU.</p> <p><u>EU Regulation:</u></p> <ol style="list-style-type: none"> 1. This is a legislative act of the EU which becomes enforceable immediately as law in its entirety in all member states simultaneously. 2. They take precedence over national laws. 3. They are self-executing and do not require any implementing measures. 4. EU institutions can enforce a regulation throughout the EU. 	<p>2012 - DISCUSS THE ROLE OF THE COUNCIL OF THE EUROPEAN UNION (COUNCIL OF MINISTERS) AND THE EUROPEAN COMMISSION IN THE EUROPEAN UNION (EU) DECISION MAKING PROCESS.</p> <p><u>Council of the European Union (Council of Ministers)</u></p> <ol style="list-style-type: none"> 1. Main decision making body of the EU. 2. Relevant Ministers from each country. 3. It decides on legislation drafted by the European Commission 4. It approves the EU budget,
<p>2012 - DISCUSS THE ROLE OF THE COUNCIL OF THE EUROPEAN UNION (COUNCIL OF MINISTERS) AND THE EUROPEAN COMMISSION IN THE EUROPEAN UNION (EU) DECISION MAKING PROCESS.</p> <p>The European Commission</p> <ol style="list-style-type: none"> 1. The European Commission is the executive body of the European Union. The body is responsible for proposing legislation, implementing decisions, 2. Drafts proposals for new laws. Once legislation is passed by the Council of the European Union and Parliament, the Commission's responsibility to implement it 3. It represents the EU internationally. 4. The Commission is responsible for the implementation of the EU budget; ensuring, along with the Court of Auditors, that EU funds are correctly spent. 5. In particular the Commission has a duty to ensure the treaties and laws are upheld, 	<p>2011 - EVALUATE THE ROLE OF 'SPECIAL INTEREST GROUPS' IN THE DECISION MAKING PROCESS OF THE EUROPEAN UNION (EU).</p> <ol style="list-style-type: none"> 1. Definition: Special interest groups are groups which attempt to influence the political and decision-making process but are not part of the accepted political structures. 2. Methods they employ include lobbying, information campaigns and public protests 3. Special Interest Groups have an important role in the EU decision-making process, in particular during the consultation stage. Special Interest Groups engage in lobbying, which is the deliberate effort to influence the decision making process by promoting a particular point of view. <p>Some Special Interest groups have permanent offices in Brussels and Strasbourg and put pressure on Members of the European Parliament and the Commission through media pressure and demonstrations. Examples ICTU tries to influence EU decision making</p>	<p>2010 - Match the term with the relevant statement</p> <p>1 2 3 4 5 F A D C B</p>

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THE COUNCIL OF MINISTERS

1. This is also known as the Council of the European Union
2. It is the EU most important decision-making body as it is made up of representatives from each member state body
3. Meetings are attended by relevant ministers from each member state
4. Each EU member takes turns in presiding the council for 6 months

It's main functions are

1. Set goals and plans for the EU
2. Approves the budget for the EU with the EU parliament
3. Approves Laws drafted by commission and in conjunction with parliament

THE EUROPEAN PARLIAMENT

1. Directly elected by EU citizens, act as a 'watch dog' over aspects of EU
2. It is made up of 700 MEP (Member of Parliament elected every 5 years)
3. Ireland elects 13 MEPs
4. The parliament does not have the power to draft its own legislation

It's main functions are

1. Represents: Represent the views of the EU
2. Legislates: They debate and votes on all new policies and laws proposed
3. Supervises: supervise the running of the EU
4. Funding and spending activities
5. Interviewing - commissioners jobs

THE EUROPEAN COMMISSION

1. This institution is responsible for the day-to day management of the EU
2. Commissioners are appointed by national Governments to run the EU
3. Each commissioner is given a post of responsibility - transport, competition

The main functions of the European Commission are

1. Proposing new laws: they are the only institution to initiate new laws
2. Implementing EU laws and policies: Supervises member states to ensure all EU legislation is implemented, if not they can take a case against them to the court of justice
3. Managing the EU budget

THE COURT OF JUSTICE

They are responsible for ensuring that EU laws are applied the same way in all EU countries. It is made up of one judge from each member state
It tries to iron out any differences between EU and National Law

THE EUROPEAN CENTRAL BANK (ECB)

This is based in Frankfurt, it is the central bank for all countries and have adopted the Euro as their common currency

It's main role is to

1. Keep inflation down
2. Safeguard the value of the Euro

KEYWORDS

EU - This is a trading bloc and political alliance of European nations designed to promote closer political, economic and social co-operation among its members

EU Decisions - are binding on specifically named countries or companies

EU directive - Set out a goal to be achieved by member states and a deadline for its achievement.

EU Regulations; legally binding decision that become effective in law

THE COURT OF AUDITORS

1. They are responsible for ensuring that the EU budget is spent efficiently and for the purpose intended
2. It checks that all EU revenue is received from member states
3. That all expenditure is lawful and well managed
4. It can audit any organisation books if they are receiving EU funds

THE ROLE OF INTEREST GROUP IN EU DECISIONS

1. EU laws can have major effects on Governments, business and individuals
2. Many interest groups try to influence these decisions to suit their members - National Government, Industry Bodies, Employer Org (IBEC)

Methods of Persuasion

1. Lobbying key decision-makers - Ministers, MEPs
2. Setting up an office in Brussels and Strasbourg - Large interest groups have permanent staff working close to the commission and Parliament
3. Using public Relations - Publicise interest groups views
4. Protest

HOW EU LAWS ARE IMPLEMENTED

STAGE 1 - PROPOSAL BY THE COMMISSION	STAGE 2 - CONSULTATION WITH THE EU PARLIAMENT STAKEHOLDERS' GROUPS	STAGE 3 - REDRAFTING BY THE COMMISSION	STAGE 4 - APPROVAL BY THE COUNCIL	STAGE 5 - IMPLEMENTATION BY THE COMMISSION AND NATIONAL GOVERNMENTS
Proposal for new laws are prepared by the European Commission	Proposal sent for discussion in the EU Parliament, national Governments and relevant bodies.	Comments and feedback are received by the commission	Final version of the proposed law is sent to the European Council for approval/rejection	The council of ministers will decide how the law should be implemented
	A lot of lobbying and campaigning may be undertaken by people, national governments, interest groups and MEPs	They may make change to the original proposal after the arguments have been made		EU Regulations ; legally binding decision that become effective in law immediately
				EU directive - Goal to be achieved by members and a deadline to meet
				EU Decisions ; are binding on specifically named countries or companies

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SINGLE EUROPEAN POLICY (SEM)

This policy is to remove barriers to the free movement of goods, services, people and capital between member states. Business treat the entire EU as one Market

Benefits	Drawback
1. Creation of a huge market	1. Public Procurement - not allowed to show favouritism
1. Free movement of goods	2. Greater Competition
2. Free movement of Capital	
3. Free movement of Labour	
4. Tax harmonisation	
5. Protectionism fro EU Firms	
6. Foreign Direct Investment	

EUROPEAN MONETARY UNION (EMU)

This is the introduction of a common currency for EU members (Euro). The Eurozone is the name given to those EU countries that have replaced their currencies with the Euro. To become a member of the Euro zone certain conditions must be met - low inflation

Benefits of the EMU	Drawback of the EMU
1. International payments - simpler, cheaper and free from exchange rate risks	1. Ireland biggest exports are not in the eurozone
2. Increased trade within the Eurozone has been stimulated creating additional jobs	2. Ireland's government has to comply with strict EU rules concerning taxation and spending
3. International Travel - no need to change currencies easier to compare prices	

EU SOCIAL POLICY (SOCIAL CHARTER)

This is to protect the rights of workers and consumers. It is intended to improve and harmonise working conditions and consumer rights through the EU

Benefits of the Social Charter	Drawback of the Social Charter
1. Improved Work Conditions - working hours, holiday entitlements	1. Increased costs for businesses
2. European Social fund - Provide funding to train and retain workers and increase adaptability to change	
3. Equality of treatment for men and women	
4. Consumer rights	

COMMON AGRICULTURAL POLICY (CAP)

1. It is designed to make the EU self-sufficient in food and maintain the incomes of farmers
2. This is achieved by modernising farming practices and stabilising the prices of agricultural produce
3. This policy aims to improve management of community's fishery resources

Benefits of the CAP	Drawback of the CAP
1. A single market for agricultural products with guaranteed prices for farmers produce	1. Loss of many small farms in favour of large-scale intensive agriculture
2. Farmers have been protected against low-cost food imports from outside the EU	2. Mechanisation and rationalisation has led to a reduction of direct employment in agriculture
3. Encouraged the development of agricultural business into major exporting industries	3. The CAP is the EU's most expensive policy. Costing EU taxpayers Billions of Euro every Year
4. Food production for the EU is more secure	
5. Farmers income has been increase	
6. Improve Ireland balance of payments	

EU ENVIRONMENTAL POLICY

This aims to ensure that economic developments within the Union are ecologically sustainable and are not at the expense of the quality of Europe's environment. This is done by

1. Making the government and business responsible for their impact on the environment (Polluter Pays)
2. Ensuring that EU decisions and EU funded projects take into account the environmental consequences of the actions involved
3. Making sure that all large infrastructures are evaluated in terms of environmental impact
4. Promote the use of renewable sources of energy

STRUCTURAL FUNDS

Are designed to improve the competitiveness and wealth of the EU's poorer regions and vulnerable industries. Ireland was a major beneficiary of these funds. These funds are usually given to the poorer regions of the EU through - European Regional Development Fund, European Social Fund or European cohesion fund

European Regional Development Fund

Aims to reduce differences between the rich and poor regions of the EU

- Improving Infrastructures
- Developing new industries
- Tackling unemployment
- Production methods
- Reversing economic decline

Provides grants to economically poorer countries for infrastructure and environmental improvements projects

COMPETITION POLICY

This sets out rules designed to ensure free and fair trade competition between firms in the SEM. The European Commission investigates complaints of anti-competitive behaviour by large companies and where trade between EU member states is affected EU competition policy rules cover issues such as

1. Competition Policy
2. Large Mergers or takeovers
3. Monopolies and cartels
4. Governments
5. Deregulation of monopolies

CHALLENGES	ISSUES
Ireland needs to take greater advantage of the Eurozone	Tax harmonisation - same tax rates in all member countries
Ireland needs to conform with EU rules regarding proper management of the Economy (excessive spending)	Institutional reform - to ensure greater democracy, accountability and transparency
Net contributor to the EU budget	Tackling Climate change
Increased competition for investment	Protecting the stability of the Euro Currency

BENEFIT OF THE EU TO IRELAND

Business	Employees	Consumers	Economy and the environment
1. Access to a larger wealthy market	1. Encourages many TNCs to invest in Ireland (Creating Jobs)	1. They can use the same currency when travelling	1. Reasonable taxation and spending policies (Large deficits are not allowed)
2. EU grants to business (helps them grow)	2. EU Social policy enhances employees' rights	2. Increase choice of product (due to the Competition Policy)	2. Benefit from millions of euro in CAP
3. Irish agriculture receives large amounts of financial support		3. Strong consumer protection legislation	3. EU policies have forced Irish business and Government to be more environmentally responsible