



ACCA Guide to the EU

EU legislation

Context

Up to 70% of legislation impacting on financial services is initiated at EU level, as are 50% of the new regulations introduced each year that impact on business.

Organisations such as ACCA need to engage at EU level, in order to ensure that the interests of our members are being represented at the appropriate level, and to ensure that legislation is not passed which would be damaging to their interests.

Directives and regulations

A directive is a legislative act which requires member states to achieve a particular result without dictating the means of achieving that result.

When adopted, directives give member states a timetable for the implementation of the intended outcome. Occasionally the laws of a member state may already comply with this outcome and the state involved would only be required to keep their laws in place. But more commonly member states are required to make changes to their laws — commonly referred to as transposition — in order for the directive to be implemented correctly. If a member state fails to pass the required national legislation, or if the national legislation does not adequately comply with the requirements of the directive, the European Commission may initiate legal action against the member state in the European Court of Justice.

Regulations are self-executing and do not require any implementing measures.

Passing legislation

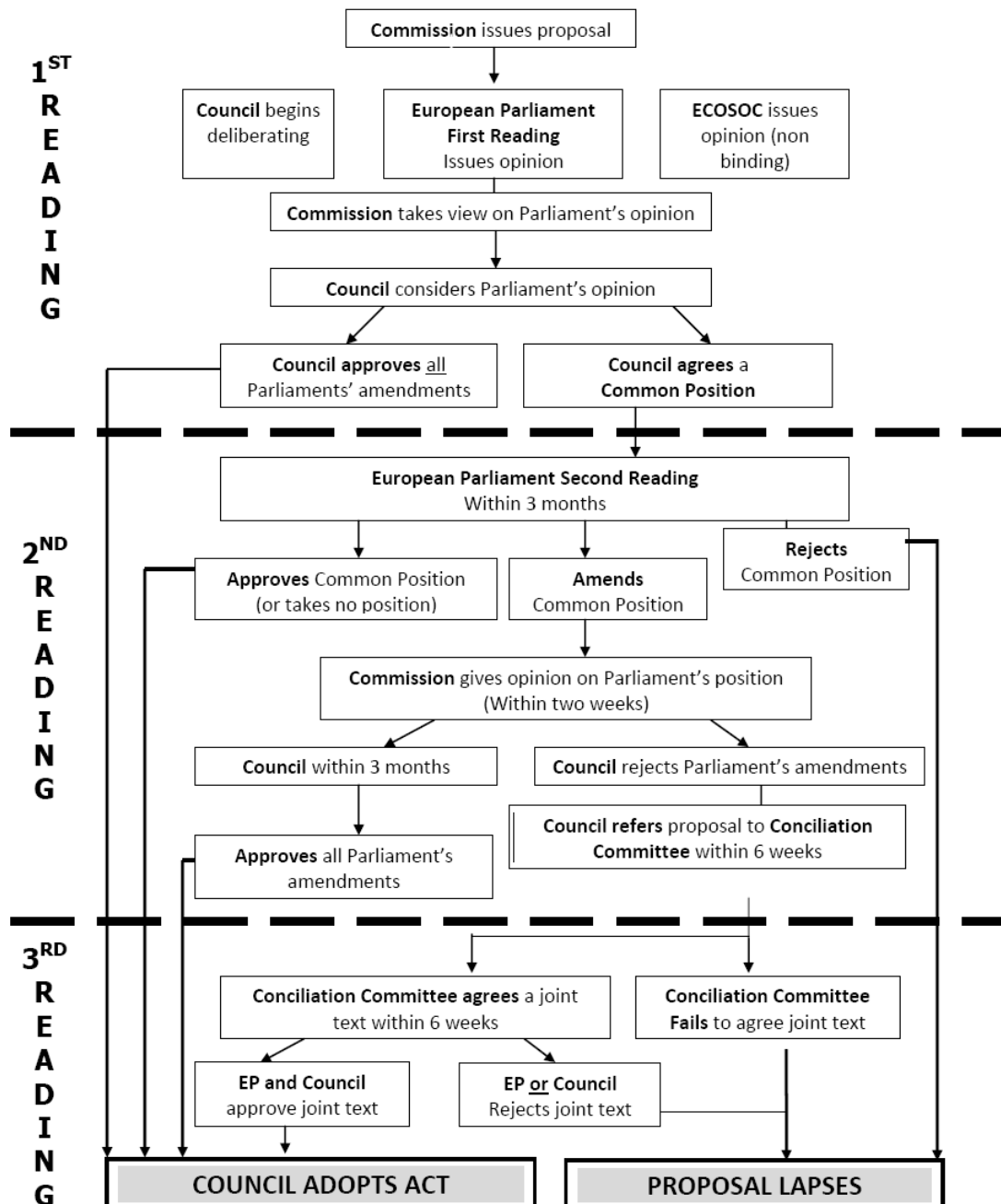
European laws are passed by the EU institutions. In nearly all cases the European Commission (the executive branch) has a monopoly on legislative initiative. In such situation the Commission sends draft legislation to the Council of the European Union and European Parliament for amendments and approval.

There are four main legislative procedures in the EU, with the main difference between them being how the European Parliament interacts with the Council of the European Union. These are the Co-decision procedure, the Assent procedure the Cooperation procedure and the Consultation procedure.

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The co-decision procedure is now applied to most Directives and has given Parliament a much greater role and influence in the formulation of EU legislation, as it now shares legislative authority with the Council. Co-decision requires consensus to be reached between the Council and the Parliament for legislation to be adopted. A diagram showing the main elements of co-decision from proposal to Act follows below.

THE CO-DECISION PROCEDURE



ACCA's involvement

We engage with the European Commission, the European Parliament and the

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European Council, as well as with relevant associations, interest groups and other partners, in order to:

- Represent ACCA's members and their interests
- Raise ACCA's profile as a thought-leading organisation
- Inform and engage with influential opinion formers
- Influence the development of legislation and public policy

We do this by building relations and alliances with key people, organisations and associations from our office in the heart of the European Quarter in Brussels.

We meet with MEPs, Commission fonctionnaires and other decision-makers on a regular basis, and produce regular thought leadership and briefing papers to help position ACCA as leaders in the debate.

PAMR

ACCA's Public Affairs and Media Relations (PAMR) department is based in the UK, co-ordinating with colleagues in local offices. We also have an office in Brussels and a permanent staff member in Ukraine, focussed on Central and Eastern Europe.

The PAMR team aims to ensure that the views of our global membership are reflected in the world's media, and that issues of concern to finance professionals and the wider business community are raised with governments and regulators in order to protect and enhance ACCA's reputation and to increase our influence.

The Public Affairs team exists to protect and enhance the reputation of ACCA with government, policy advisers, key civil servants and other political and business stakeholders. It aims to build positive relationships with key decision makers, and to influence and inform legislation and policy ensuring the best possible outcomes for ACCA's work. We lead on all engagement with Parliament, monitoring Parliamentary activity and providing advice to colleagues.

The Media Relations team works to provide timely and useful comment to the world's media on key issues affecting not only the accounting profession, but business and personal finances. Our global network of offices engaged in communications ensures that every day of the year ACCA is offering wide ranging responsible advice or commentary on key issues on every continent.

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