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### II. EU signals towards a single online music licensing

Digital rights management is high on the agenda for the Spanish EU presidency and will be a point of discussion in a meeting of national telecommunications ministers in May 2010. The pan-European licensing has been a high point of discussion since 2004 and was given further weight in October 2009 when the DGs for Information Society and the Internal Market released a reflective paper on the challenge of creating a European Digital Single Market in October 2009. The aim of this reflection is “a modern, pro-competitive and consumer friendly legal framework for a genuine single market for creative content online”. Key industry and consumer groups have been submitting their responses to this paper which is entitled ‘Creative Content in a European Digital Single Market: Challenges for the Future’. Proposals which were put forward by the Commission include: an EU Copyright Title, extended collective licensing for orphan works, harmonisation of EU copyright laws to better inform the consumer on limitations and exceptions, possible internet licensing, a pan-European and/or multi-territorial licensing process and freely accessible ownership and licence information. The proposals have met with opposition from key stakeholders, such as the Association of Commercial Television in Europe (ACT). Most particularly criticism refers to the suggestion of a possible EU Copyright title, which is believed to be too broad and not considering the differences between music, television, book and print businesses. A ‘one-stop shop’ for licences would allow content providers to buy a licence that covers the whole production chain of rights, which can include multiple authors, composers, music publishers, producers and recording artists.

The Commission is currently analysing contributions from the consultation processes and further development of this new policy area will be ongoing throughout the coming months. Further evidence of the importance of this expanding policy area is that ‘Digital Agenda’ is a new portfolio in the 2010 – 2015 Commission.

Due to the importance of this issue in developing EU policy, stakeholders are encouraged to join the process.

### III. Review of pharmaceutical patent settlements

The Commission has requested pharmaceutical companies to submit copies of their patent settlement agreements on the basis of EU antitrust rules. The requests cover patent settlement agreements concluded between originator and generic pharmaceutical companies in the period from 1 July 2008 to 31 December 2009 and relating to the European Economic Area. In particular, the Commission is looking at patent settlements where an originator company paid off a generic competitor in return for delayed market entry of a generic drug (“Pay for Delay”). This follows inquiries into the pharmaceutical sector in July 2009 which evidenced the delay in the entry of certain drugs onto the market. The danger of such patent agreements to consumers has been highlighted and the Commission has suggested that it would monitor such agreements.

The Commission will correlate all information received and will produce the findings in a statistical manner. The continued monitoring of pharmaceutical patent settlements could



### I. Lord Plumb received 2009 Charity Champion Award

The firm’s Senior Partner Lord Henry Plumb has won the 2009 Charity Champion Awards in London for his devotion to issues concerning the involvement of education and skills. For seven years the DODS Charity Champion Awards have portrayed a positive side to politics, acknowledging the significant difference politicians make to a diverse range of charitable causes through campaigning, legislation support and devoting their time and expertise.

The Award follows the 2009 nomination of the firm’s Chairman, Prof. Alber, as “Senior Partner of the Year” at the British Legal Awards in London together with the firm’s 2009 nominations as “European Niche Law Firm of the Year” and “Benelux Law Firm of the Year” by The Lawyer, London.



continue annually until the Commission confirms that the potential problem has been alleviated. Stakeholders should cover their interests through political representation.

## IV. International comparison of financial statements

Since 2005 EU listed companies and companies whose debt securities are listed in the EU have to prepare their consolidated financial statements in accordance with EU endorsed International Financial Reporting Standard (IFRS). However, due to the complicated nature of this system, there has been little voluntary uptake of this standard by other non listed companies. These



non listed companies prepare their accounts in accordance with the Generally Accepted Accounting Principles (GAAP). However, as this may differ between Member States, cross-border comparison of accounts can be difficult. The IFRS for small and medium sized entities (SMEs) is the product of public consultations in 2009. Some commentators stated that the IFRS for SMEs will allow international comparison of financial statements and that this could lead inter alia to increased access to finance, reductions in the cost of capital, increased trade, and increased levels of cross-border merger and acquisition activity. However, concerns have been raised that the accounting system is too complex for SMEs and that the cost of training staff could prove over-burdensome.

The DG Internal Market of the Commission has called for SMEs, other account holders such as banks and investors and all other stakeholders to submit their comments on IFRS for SMEs which issued by the International Accounting Standards Board on 9 July 2009. This consultation will be used in the ongoing review of the Company Law Directives by the DG on Enterprise and Industry to aid their study on the accounting requirements for SMEs.

Alber & Geiger have a wide range of experience in this area and we can help you in following and partaking in this consultation process.

## V. Future anti-terrorism measures debated at EU level

In the coming weeks the Commission is set to release an impact evaluation on the proposed use of body scanners. Joined-up information sharing has been identified by Civil Liberties Committee MEPs as a primary anti-terrorism measure. The EU counter-terrorism co-ordinator highlighted that more resources for analysing suspected terrorism information is key to counter-terrorism measures and the extent to which body-scanners can play a role depends largely on the outcome of the Commission's report. It has been argued that the cost of implementing body scanners in airports may not be justified by their ability to spot terrorists. As these scanners only detect devices on the body and not in the body, therefore explosives which have been swallowed cannot be detected. The Transport Committee of the European Parliament have agreed that technology cannot provide 100% protection from terrorist attacks but that it is the attaining and comprehension of intelligence that can greatly aid counter-terrorism measures. This contentious subject will be subject to more debate over the coming months and legislation on the common principles for levying security charges at EU airports will be put to its first reading vote in March.

## VI. Problems facing EU candidate countries

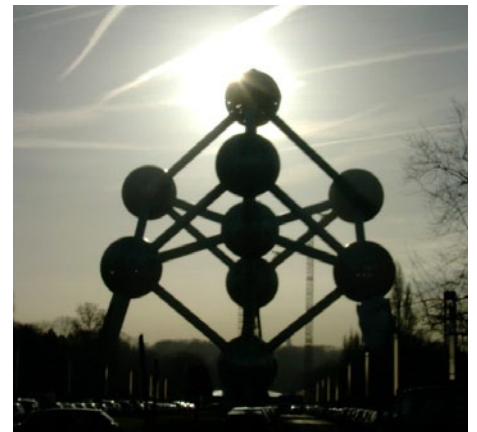
The Progress of Turkey, Croatia and the Former Yugoslavian Republic of Macedonia (FYRM) towards the Copenhagen criteria is under constant evaluation and certain country-specific problems have been underlined.

The prospects for the conclusion of Croatian accession negotiations are set to conclude this year but the outstanding issues are: the weakness of public administration, a need to reform the judiciary, a need for more vigorous actions to combat corruption and organised crime and finally a need to ensure sustainable refugee return. Cooperation with the International Criminal Tribunal for the Former Yugoslavia (ICTY) in their requests for documents is also still of key concern to the ongoing accession negotiations but Croatia is expected to fully cooperate in this regard. The border dispute with Slovenia has affected the pace of accession agreements but arrangements for solving this dispute have created a momentum for negotiating all remaining chapters of the candidate negotiations. However, MEPs have voiced their concern that public support for EU accession is diminishing.

The Council will decide in March 2010 whether it accepts the Commission's recommendation to open up negotiations with the FYRM. The issue

of the country's name has created friction with Greece and this will be an issue in any accession negotiations. However, the Greek government has suggested a "symbolic and motivational target date of 2014" for the EU accession of Western Balkans countries. This has been welcomed as a sign of improved relations between the countries. Furthermore, as with Croatia, FYRM needs to reform its public administration and judiciary and fight corruption. Also, the improvement of women's rights and inter-ethnic relations need to be improved for negotiation.

While the MEPs have highlighted the progress made by Croatia and FYRM towards the Copenhagen criteria, the limited progress of Turkey was explicitly stressed by the Foreign Affairs Committee. Not implementing the Additional Protocol to the EC-Turkey Association Agreement for the fourth consecutive year has been judged to have had a serious affect on negotiations. On top of implementing the Copenhagen criteria Ankara has been asked to improve implementation of existing legislation in the areas of women's rights, non-discrimination, freedom of religion, thought and belief, freedom of speech and expression, zero tolerance of torture and the fight against corruption. Furthermore, an agreement with Cyprus based on a bi-zonal, bi-communal federation has also been identified as central to the negotiations. Diplomatic efforts to normalise



relations with Armenia and in regional security have been duly noted. However, development still needs to be made in the other areas of negotiation which have been open.

Alber & Geiger has outstanding relations to DG enlargement and is able to help with the problems faced by candidate countries in EU accession negotiations.

For more detailed information on what we can do for you please refer to our main website.

[www.albergeiger.com](http://www.albergeiger.com)