

Constitutional Treaty, Property Rights, ECHR & VAT

ELO is clearly involved in a number of activities that concern property rights, notably the Constitutional Treaty, the European Court of Human Right - ECHR cases and reduced VAT.

Debate on the Constitutional Treaty

ELO actively lobbied during the period of elaboration of the Constitutional Treaty. ELO welcomed the final version of the Treaty protecting property rights. The inclusion of the European Charter of Fundamental Rights in the Treaty was a key element of ELO's support. Ratification processes in 2005 lead to large national debates which were previously lacking at national levels. After 13 national ratifications among 25 Member States (more than half of them), the process was stopped in spring 2005 due to negative results of the French and Dutch referenda. Neither British nor Austrian Presidencies nor European Parliament initiatives have succeeded yet in the revival process. Member States have to launch discussion processes at the national level in 2006-2007.



EU Fundamental Rights Agency

In 2004 the Commission launched the debate on the creation of an EU Fundamental Rights Agency decided by EU Heads of Governments in December 2003. On the 30th of June 2005, the Commission proposed the creation of the independent Agency to replace the Observatory on racism and xenophobia (COM(2005) 280 final).



European Court of Human Rights

ELO is closely following the ECHR court cases related to property rights. In 2005 a case particularly interested ELO and its sister organization Groupement Européen des Fédérations intervenant dans l'Immobilier - GEFI, the court case Hutten-Czapska vs Poland (35014/97 - 22.2.2005), on rent blockage.

Poland was condemned (violation of Article 1 of Protocol 1 – protection of property) as the rent was too low to even enable maintenance of the building by the owner. Poland appealed and the final Grand Chamber case should be published in 2006.

The Agency should gather information, issue annual reports and give advice to the EU and Member States on proposed legislation. It is designed to complement, not to duplicate the work of the Council of Europe and to co-ordinate the activities of national human rights bodies. The agency will not, however, take up individual cases. Quick adoption of the proposal is awaited.

ELO supports the creation of the Agency and wishes its competences to be broad and cover all fundamental rights, particularly property rights.

Reduced VAT

Reduced VAT was an important file for ELO during the autumn-winter 2005 period. The review of the 6th Framework Directive on VAT was particularly delicate. The transitional period of reduced VAT was to end on 31.12.2003, but was finally postponed until 31.12.2005 due to a lack of agreement of the Council on the Bolkestein proposal.

ELO's particular focus was put on reduced VAT for building repairs and labour intensive activities. ELO in collaboration with sister organizations (Union of European Historic Houses Associations-UEHHA, English Heritage, Groupement Européen des Fédérations intervenant dans l'Immobilier – GEFI) created a working group on VAT. This synergy improved the efficiency of lobbying during the UK Presidency.



The Commission clearly stated its flexible approach and the final decision, reached in January 2006, was to continue to allow Member States to have the option to use reduced VAT, for reparation costs and labour intensive services, until 2010 for those having already used the option or requesting it before 31st March 2006. Some specific adjustments for new Member States have taken place, specifically for Poland and also for Latvian timber.

ELO welcomes this final agreement enabling not only sustainable activities which otherwise would not have been carried on but also giving longer entrepreneurship visibility until 2010 than previous extensions of 2 years.

ELO will pursue its action during the review process of the VAT Directives